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G. H. LEMAISTRE,
Under Secretary to the Govt. of India.

GOVERNMENT OF INDIA.

Public Works Department Code.

VOLUME II.

1907.

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GENERAL REGULATIONS.

(SEVENTH AUTHORIZED EDITION.)

Revised and corrected to 31st October 1907.



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Chapter XIII.—Accounts of Examiner's Office.

Organization of Office.

1393. The office of an Examiner of Public Works Accounts is usually divided into sections as follows :— XIII, 1561.

1. Budget.
2. Account audit.
3. Establishment audit.
4. Booking.
5. Pay.
6. General or Routine.

1394. The general duties of each section are as follows :— XIII, 1562.

Budget Section—

(1) The preparation and check of budget estimates, so far as the Examiner's office may be required by the Local Government or Administration to perform this

duty, and the preparation of all estimates called for by the Accountant General, Public Works Department.

(2) The maintenance of budget registers; the check of re-appropriation statements; the issue of statements of unauthorized appropriations.

(3) The check of sanctions to estimates for work and services.

(4) The regulation of the supply of funds to Executive Engineers and the preparation of the return of grants, receipts, expenditure and unspent balances (Form No. 53).

Account Audit Section—

(1) The audit of monthly accounts of Executive Engineers and of Civil Officers, and of Examiner's auxiliary accounts.

(2) The audit of half-yearly returns of stock and yearly returns of tools and plant.

(3) The audit of completion reports.

(4) The preparation and disposal of objectionable item statements.

Establishment Audit Section—

(1) The audit of salary, travelling allowance, and contingent bills, and the preparation and disposal of disallowance lists.

(2) The disposal of applications for pension, gratuity and leave.

(3) The maintenance of records of service and service books.

(4) The disposal of miscellaneous questions relating to establishment.

Booking Section—

(1) The posting of the books of the Department.

(2) The preparation of periodical accounts and returns.

Organization of office.

(3) The adjustment of transfer transactions.

(4) Preparation and disposal of exchange and central adjusting accounts.

Pay Section—

(1) Payments to head-quarters establishments and for miscellaneous purposes.

(2) The preparation of the Examiner's auxiliary accounts.

General or Routine Section—

(1) The copying of letters, accounts and returns.

(2) The maintenance of registers of receipts and issues.

(3) The custody of records, stationery and forms.

(4) The supply of forms to departmental officers.

(5) The correction of all Codes and books of reference.

1395. A manual of instructions for the guidance of Accountants and clerks must be kept in every Examiner's office. All orders of a general nature, not included in one of the sets of Codes supplied to Examiners' offices, should be embodied in the "Office Manual." XIII, 1563.

1396. Every circumstance or order affecting an item of receipt or charge falling within the scope of the Examiner's audit, should, as a rule, be recorded at once upon receipt of the advice in the register, book or schedule upon which the passing of the item is to be recorded. XIII, 1564.

1397. The Examiner or his Assistant should review, at least once a year, the work of each section of his office in more or less detail. In carrying out this review, more attention should be paid to the substantial than to the formal part of audit. The result of the review should be placed on record. XIII, 1564A.

1398. The duties and powers of Examiners of Accounts are laid down in paras. 339 to 368. XIII, 1565.

Budget Registers.

XIII, 1566. **1399.** The objects of Budget Registers are—

(1) to enable the Examiner to see that all expenditure, authorised to be incurred by the authorities having powers of sanction, is covered by provision, either original or re-appropriated, in the budget estimates of the year, or, if not, to apprise the Local Government and the Accountant General, Public Works Department, thereof;

(2) to record in a methodical way the allotments made in budget orders for Public Works from Imperial, Provincial, and Incorporated Local Funds, as well as from Local Loans, and Takavi, Contributions and Excluded Local Funds; and to show the alterations made in the course of the year by additions to, or reductions from, total grants and by transfers of allotments from one service head to another within grants, and by appropriations to service heads from Reserves;

(3) to enable the Examiner to ascertain at any time the state of the grant at date for any head of service, or the amount at the disposal of any disbursing officer and to advise the Local Government accordingly;

(4) to enable the Examiner to regulate the issue of letters of credit to disbursing officers so that the demands on the Treasury shall be kept within the Budget provision.

XIII, 1567. **1400.** Budget Registers may be kept in Form No. 46, but as the requirements of the several Provinces vary, the standard forms need not be strictly adhered to in practice; the working forms may be modified to suit local circumstances, and printed locally.

1401. Modified forms should not, however, be introduced without the approval of the Local Government (or Administration) concerned and of the Accountant General having previously been obtained. XIII, 1568.

1402. The forms of Budget Registers to be used for recording the grants for Irrigation Works will be the same as those for the Buildings and Roads Branch with the headings modified to suit the requirements of such works, but the principle and the manner of posting them will be similar in every respect. XIII, 1569.

1403. The form of Budget Register—Form No. 46—contains the following parts:— XIII, 1570.

Part I.—Abstract Budget Register.

Part II.—Divisional Budget Register.

Part III.—Register of Reserves.

Part I.—Abstract Budget Register.

1404. This register exhibits under Funds, Service and Departmental heads the entire grant of the Province, the modifications made during the year, whether affecting the total grant or the grant under any Service head. At the end of the year the amount of the sanctioned revised estimate will be entered in this register by funds and major heads. No modification of the grants as they stood at the end of the year is meant by this record. XIII, 1571.

Part II.—Divisional Budget Register.

1405. In this register will be recorded under Funds, Service and Departmental heads, the allotments placed from time to time at the disposal of each Divisional Officer. XIII, 1572.

1406. If necessary, an abstract of the entries by divisions may be made at the end of this register to admit of comparison being made with the total grants as shown in the Abstract Register, Part I. XIII, 1573.

Part III.—Register of Reserves.

XIII, 1874. **1407.** This register is required to record the Reserves under Major and Minor Works and Repairs and Tools and Plant retained by Local Governments or placed at the disposal of the various local authorities, the appropriations made therefrom to divisions, and the modifications made in the grants from time to time. By means of this register the Examiner will exercise a check over the allotments granted, both as regards sufficiency of grants and financial regularity. The entries should be made from the various returns of Minor Works in lump sums, and the balances still available at the end of each month be brought out.

XIII, 1875. **1408.** For all details as regards allotments for individual works, the Examiner should look to his sub-register—Form No. 74. The Budget Register should be merely a condensed record of the transactions under main heads.

XIII, 1876. **1409.** In cases where the State expenditure on land and control for Companies' Railways, on land or interest for subsidized Railway Companies, or on Provincial Railway Surveys, is audited by the Examiner of the Buildings and Roads Branch, a separate register should be kept of the grants assigned for the purpose.

XIII, 1877. **1410.** The Budget Register is always to be closed immediately after the close of the financial year, and no appropriations or re-appropriations should be recorded in it which were not actually made by competent authority before the expiration of the year. The entry in it of the revised estimate figures, *vide* para. 1404, does not affect the grants as they stood at the end of the year.

Supply of Funds.

XIII, 1878. **1411.** In the supply of funds the Examiner is responsible that the issue of credits shall be so regulated as to prevent, as far as possible, the total grant allotted to a division being exceeded. In the event of an appli-

Supply of Funds.

cation for letters of credit being in excess of the balance of grant of a Division, a reference should be made to the Local Government or Administration before granting the credit, with a view to an increase of grant being sanctioned, either by transfer from another Division, from reserve or by re-appropriation. Should it, however, happen that an additional grant cannot be given to the Division concerned without creating an excess over the total grant for the Province under any service head and the Local Government or Local Administration authorize the issue of credits to the full extent requisitioned by the Division in anticipation of a supplementary grant being sanctioned, a special report of the proceedings and of the amount involved should be immediately made by the Examiner to the Accountant General, Public Works Department.

1412. Applications for letters of credit in Form No. 41 D will be received by the Examiner from Executive Engineers about the middle of each month for the month immediately ensuing. These demands will be brought together in a statement (Form No. 52 A), and after they have been checked the Examiners will request the Civil Accountant General (in Form No. 52 B) to issue the credits on the treasuries indicated. XIII, 1579.

1413. If the application from any Division be not received in due time, the Examiner should not, on this account, keep back the return for the Province, but should enter the demand of the month for that Division according to the best information available. XIII, 1580.

1414. In framing his application to the Civil Accountant General, the Examiner will obtain the orders of the Local Government or Administration in any case when he may be in doubt as to the amount of credit to be allowed to an Executive Engineer. XIII, 1581.

1415. The Examiner will receive from the Civil Accountant General either a list of credits granted, or an advice that all have been granted, but in his monthly Exchange Accounts the Civil Accountant General will XIII, 1582.

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enter the amount of cheques paid, unpaid cheques being held as a balance in the Public Works books.

XIII, 1583. **1416.** If an Examiner requires a letter of credit to be issued in a Province with which he is not in account, and has the necessary authority for obtaining such credit, he will make the regular application to the Civil Accountant General with whom he is in account, and note on it that he has applied direct for funds. At the same time he will apply direct to the Accountant General of the Province in which the funds are required, mentioning that the payments are to be debited to the Civil Accountant General with whom he is in account.

XIII, 1584. **1417.** This rule, however, is intended only for occasional issues. If an Examiner has frequently to apply for credits in another Province, he should be placed in account with both. This can be done by the Comptroller General on application through the Accountant General, Public Works Department.

XIII, 1585. **1418.** The application for letters of credit for the Province (Form No. 52 B) should be submitted punctually to the Civil Accountant General on the 20th of the month preceding that for which the funds are required, and should be accompanied by a certificate to the effect that the credits applied for involve no excess over the sanctioned grants. In event of the Examiner not being able to certify this, the authority for asking for credit in excess of the grant should be quoted.

Approximate Returns.

XIII, 1586. **1419.** With the applications for credits for the months of December, January, February and March an extract from the register of liabilities in Form No. 41 F will also be received by the Examiner.

XIII, 1587. **1420.** Such of the information given in Part I of Form No. 41 D as is necessary will be abstracted by fund and major heads in a register (Form No. 51), the object of which [illegible] quired for lines 8 (a), [illegible] of grants,

approximate receipts and unspent balances (Form No. 53).

1421. The cash and treasury balances need not be distributed over fund and major heads, but shown as one item against the head under which the division is classified. The letters of credit and liabilities not included in approximate expenditure to end of the previous month need only be distributed in Form No. 53 over fund and major heads in the months of December to March inclusive. In the returns for these months great care should be taken to make the distribution as accurate as possible. XIII, 1588.

1422. The approximate revenue of the past month will be obtained from Part II of Form No 41 D. Noth- XIII, 1589.
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[illegible]
[illegible]
the best information available, probably on an average of the past three months and of the similar period of the previous year, and entered in Form No. 53.

1423. In estimating the approximate receipts and expenditure to the close of March, all assets and liabilities affecting the accounts of the official year and all adjustments anticipated in the supplementary accounts for March should be taken into account. XIII, 1590.

1424. Great care should be exercised in dealing with the approximate revenue and expenditure, as the figures are required for important purposes. A statement of differences between the approximate figures of revenue and expenditure for the past financial year, which are telegraphed to the Accountant General, Public Works, Department, on the 21st of April—*vide* para. 1428, and the revised estimates, together with an explanation of the more important variations should be forwarded to the Accountant General immediately after the despatch of the telegraphic report. XIII, 1591.

1425. The return of grants, approximate receipts, expenditure and unspent balances (Form No. 53) should be submitted to the Accountant General, Public Works XIII, 1592.

Approximate Returns.

Department and a copy without the memorandum at foot sent to the Local Government.

XIII, 1593. **1426.** For the months of December, January and February the Accountant General requires two copies of each return in Form No. 53. For the months of March, April and May two separate returns for each month have to be prepared, one relating to the past and another to the current year's transactions.

XIII, 1594. **1427.** The memorandum at foot (lines 15 and 16) compares the approximate up-to-date outlay reported two months previously with the actuals as subsequently booked. Whenever the difference under any one major head is more than 5 *per cent.* of the actuals and over Rs. 25,000, a separate memorandum explaining the cause should be submitted to the Accountant General with the monthly accounts.

XIII, 1596. **1428.** On the 21st of each month or on the day following, if the 21st falls on a Sunday or a holiday, the Examiner should, without fail, telegraph to the Accountant General, Public Works Department, by deferred message, the approximate revenue and expenditure under each fund and major head, as well as the receipts and charges in respect of transactions under debt, remittance, and the other heads specified in Public Works Department Form No. 78 F from the commencement of the current official year to the end of the preceding month. The opening and closing cash balances of the preceding month and the amount of uncashed cheques at its close should also be given. If it is necessary to revise the amount of uncashed cheques at the close of March as reported on the 21st April, the corrected amount should be entered in the telegraphic report of the 21st May.

XIII, 1597. **1429.** The necessary information will be obtained from Public Works Department Form No. 78 F, which is a progressive abstract of the figures reported in accounts current of disbursing officers; but the figures to be telegraphed should be given in lakhs and thousands

only, any sum under five hundred rupees being omitted, and any sum over that amount and up to a thousand being treated as one thousand.

1430. To guard against errors in telegraphing, the totals of major heads both under revenue and expenditure should be given as well as the grand totals (which should be equal) of the receipts and charges under all heads. XIII, 1598.

1431. The several heads under which the receipts and charges are to be reported will be designated by the index letters or words quoted against each in Public Works Department Form No. 78 F. XIII, 1599.

Appropriations.

1432. A monthly Appropriation Return (Form No. 49) will, if required, be prepared by the Examiner and submitted to the Local Government or Administration for information. XIII, 1600.

1433. This return will show the total grant under each fund head, and the distribution of the several grants under service and departmental heads. XIII, 1601.

1434. A monthly statement of unauthorized appropriations (Form No. 50) will be submitted within one month following that to which it relates by the Examiner to the Local Government or Administration who, after entering orders against each item, will forward it to the Accountant General, Public Works Department. When there are no unauthorized appropriations to report, a "*Nil*" form should be sent by the Examiner direct to the Accountant General. XIII, 1602.

1435. The following are irregularities which should be entered in the statement of unauthorized appropriations relating to Imperial Funds :— XIII, 1603.

I.—Re-appropriations held to be inadmissible under paras. 1875 and 1876.

II.—Appropriations for new works and repairs for which working estimates have not been sanctioned. *This*

Department and a copy without the memorandum at foot sent to the Local Government.

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Appropriations.

against the declared policy of the Government of India, or for which there are no sanctioned estimates.

II.—Appropriations for outlay upon residences for heads of Local Governments and Administrations in excess of Rs. 15,000 in one official year.

III.—Appropriations the aggregate of which is in excess of the total grant, or appropriations made in expectation of short outlay against the grant being sufficient to cover excess.

IV.—Increases to grant which have not been sanctioned by the Financial Department of the Local Government.

V.—Appropriations for advances to provide for outlay on works the construction of which is properly debitable to Imperial funds, and for the recoupment of which a claim may be made upon those funds.

VI.—Transfers from the Civil Imperial estimates to Provincial Public Works estimates without the sanction of the Government of India.

1437. The Examiner should not, however, delay noticing cases of appropriations which appear to him to be irregular until the submission of the monthly appropriation return, but should at once submit a report of such cases to the Local Government or Administration on their coming to notice, stating his opinion; when, if the appropriation be cancelled, no further action will be required. If the appropriation be maintained, the Examiner will make the needful entry in his Budget Register, and include the item in the statement of unauthorised appropriations. XIII, 1605.

1438. No grant is required to be assigned for suspense accounts chargeable to budget grant unless the balance at debit is expected to be increased by more than Rs. 500. In that case a *formal appropriation* of available grant should be made. On the other hand, if it be decided to reduce the balance at the debit of suspense, expenditure on final heads against the credit to suspense does not need an appropriation of funds. A decrease in the balance of an Imperial suspense account cannot, however, be applied to augment the grant *for* XIII, 1606.

Provincial or Local funds works, or outlay against contributions; nor can a decrease in suspense accounts classed as Military be appropriated to other services. In cases where it is determined to provide or increase reserve stock, funds should always be assigned for the purpose, either by entry in the Budget estimate, or by a re-appropriation to suspense.

Audit of Executive Engineers' Accounts.

XIII, 1607. **1439.** The audit of the monthly accounts, and posting of the divisional and provincial books, should be carried out with the utmost thoroughness and rapidity possible. The Executive Engineers' accounts are due in the Examiner's office *complete* in every respect by the 20th of the month succeeding that to which they relate or as soon after as possible allowing the necessary time for transit through the post. Three weeks are allowed for auditing and booking the accounts, so that the Examiner's registers should be posted by the 15th of the second month. Any delay beyond this will be held to constitute arrears for which the Examiner will be responsible. If by the 15th of the second month the accounts of any Executive Engineer or Civil Officer have not been received, the books of the Province should be closed without waiting for them, the expenditure being left to be included in the combined accounts of the succeeding month.

XIII, 1609. **1440.** Delay of more than one month in the submission of the sub-divisional accounts or of more than two months in the divisional accounts should be reported for orders to the Local Government or Administration by the Examiner, who will forward any explanation regarding the delay which the officer concerned may have submitted.

XIII, 1610. **1441.** The audit of the accounts of expenditure by Executive Engineers will be effected with reference, in the first place, to the sufficiency of the authority for incurring the expenditure; in the second place, with reference to the propriety of the charges as against

the works and services to which allocated; and in the third place, with reference to the proof of payment to the correct individual. The audit of receipts will be conducted so as to see that all sums due to be received are duly realised and credited to the proper heads of account.

1442. In auditing the accounts of expenditure and of receipts, the Examiner should keep in view the general object to be attained by his supervision; and, while careful to prevent unnecessary expense and irregularity, he should not be too precise in trifling matters which are of no importance to the finances of the State, but which may be made very troublesome to those who have to account for them. XIII, 1611.

1443. *In addition to the ordinary routine duties of* his office, the Examiner is expected to keep a vigilant watch over expenditure which he audits and accounts for, and while most carefully avoiding any assumption of control and not calling upon Executive Engineers for explanation except with regard to irregularities falling distinctly within rules and orders which can be quoted, to bring to the notice of the Administrative officers of the Department all transactions appearing in the accounts which seem to him to be in any way indicative of irregularity or of want of attention to economical considerations. XIII, 1612.

1444. As the arithmetical accuracy of all vouchers is fully checked in Executive Engineers' offices by the Divisional Accountant, it will suffice if the re-check in the Examiner's office of the calculations in the vouchers (excluding establishment bills and bills in which final payments on a running account are made, the calculations in all of which must be checked) is limited to a minimum of 25 *per cent.* of the vouchers of *every* division. The selection of such vouchers should be made by the Examiner *or another gazetted officer*, and a register in Form No. 57 should be kept by which to subsequently indentify the vouchers of which the XIII, 1613.

arithmetic has been checked and the computer who was intrusted with the calculation.

XIII, 1614. **1445.** Although the extent to which calculations in vouchers should be tested in the Examiner's office is limited, yet all vouchers received in support of charges in accounts must be audited with respect to their validity, to the sufficiency of the authority, and to the reasonableness of the charge, and care should be taken to see that they are either submitted in the prescribed form or, if in any other form, that they are in all other respects valid vouchers.

XIII, 1615, 1616 and 1617 **1446.** In the audit of vouchers the Examiner is empowered to pass finally errors—

(i) of one anna in all vouchers;

(ii) of eight annas in vouchers of not less than Rs. 500;

(iii) of one rupee in vouchers of Rs. 1,000 and above.

In the case of Famine Relief expenditure these limits are raised to an error of four annas in any case, and up to one *per cent.*, but not exceeding one rupee in the case of vouchers for amounts in excess of Rs. 25. Such errors are not to be overlooked as a matter of course, and the Examiner must use his discretion in each case whether notice should be taken of the error or not. Unstamped vouchers must be returned to disbursing officers for stamps to be affixed.

XIII, 1618. **1447.** Corrections made in the details of a bill need not be severally *initialled, provided the corrected result* is initialled.

XIII, 1620. **1448.** The first return received for each month by the Examiner from Executive Engineers is the divisional cash balance return. It will be checked with a view to calling for explanation if any unnecessary accumulation of cash in the division occurs, and will afterwards be made over to the Accountant in charge of the audit of the accounts of the division for com-

parison with the balance shown in the divisional account current.

1449. The monthly accounts of Executive Engineers on receipt will first undergo examination to see that they have been received in a complete state, that the accounts-current and schedules are arithmetically correct, that they are in all respects properly prepared, and that the charges are complete as to authorities, estimates, budget appropriation, and vouchers. Any clerical errors, or errors of classification, will be corrected in red ink, and a revised account-current, if necessary, prepared with a statement of corrections (Form No. 56). All corrections which alter any figure in the account-current, even though the total amount to be passed be not affected, will be entered in Form No. 56. Minor matters requiring attention will be brought to the Executive Engineer's notice in the Examiner's Audit Note, Form No. 61—*vide* para. 1481. XIII, 1621.

1450. The next operation is to check the cash receipts brought to credit by the Executive Engineer. The officers of the Public Works Department are placed in funds for expenditure solely by means of the monthly credits granted to Executive Engineers at the treasuries, and the Examiner will receive from the Accountant General of the Province a monthly Exchange Account (see para. 1613), showing the payments charged against such credits to the Public Works Department in the accounts of treasuries, which account will enable the Examiner to check the sums brought to credit in the accounts of Executive Engineers. The examination of the accounts on this head should be made as soon as the return is received, any discrepancy being at once enquired into and noticed, either to the Executive Engineer, or to the Civil Accountant General, as the case may require. Care must be taken to see that the Executive Engineer debits himself with all sums which he has to collect from his staff and from others, also with all sums shown by the Exchange Accounts, the Central Adjusting XIII, 1622.

Account, and the accounts of other divisions as issued to him.

XIII, 1623. **1451.** The monthly account furnished by the Civil Accountant General will also show the miscellaneous receipts paid into treasuries by Executive Engineers, and credited to the Public Works Department in the treasury books. This will be compared with the amount charged by the Executive Engineer under the corresponding head.

XIII, 1624. **1452.** All vouchers audited in the Examiner's office should be cancelled by means of a perforating or endorsing stamp, which should perforate or impress a distinguishing mark or number, indicating the person who is responsible for the audit of any given voucher; and a register should be kept showing the distribution of these stamps among the staff.

XIII, 1625. **1453.** The certificate of audit of the Account-Current must be signed by a gazetted officer. A formal notice of audit will be sent to the Executive Engineer (Form No. 50), accompanied, when necessary, by a corrected account-current.

XIII, 1626. **1454.** The Executive Engineer, on receipt of a corrected account-current, is bound, if he admits the corrections, to make the needful entries at the foot of the cash abstract book (as well as in all accounts subsidiary to it), so that the balances in them, and in the next account-current to be submitted by him, may correspond with those shown by the Examiner.

XIII, 1627. **1455.** If the correction made by the Examiner involves an increase of the Executive Engineer's balance, the amount of the correction should be placed under "Miscellaneous Advances," and the Executive Engineer will be bound to refund the amount. But the Examiner should not correct the cash balance if the matter is at all doubtful, and, as far as possible, the accounts, except in the case of classification of entries, will be left unaltered, the proposed corrections being merely noted in the correction statement.

1456. Whatever may be the way in which the correction is recorded in the first instance, the item must in every case, be adjusted finally within three months from the date of its being first recorded: and, failing other means, the Examiner is bound to recover the amount *by deduction from the salary of the officer concerned.* To this rule there can be no exception. Such deduction will be made by monthly instalments not exceeding one-fourth of civil consolidated or staff salary passed. XIII, 1628.

1457. The Examiner may require the Executive Engineer to send up, in addition to the prescribed monthly accounts, *any* other original records, *e. g.*, muster rolls, stock returns in Forms Nos 9, 10 and 11 and measurement books, upon which the figures reported to him are based whenever the ordinary monthly accounts appear defective or deficient in detail, or when, from any reason it may appear to him desirable to call for further information. XIII, 1629.

Audit of Civil Officers' Accounts.

1458. All expenditure on Public Works, whether Imperial, Provincial or Local, incurred by officers not belonging to the Public Works Department against the grant for " Public Works in charge of Public Works Officers," will be audited by and brought on to the books of the Examiner. Such officers act as disbursers for the Public Works Department, and whatever their status may be otherwise they are termed "Civil Officers" in this connection. XIII, 1631.

1459. The rules in this section are not applicable to charges for petty construction and repair, which are adjusted by Civil Accountants General against the Budget grants of the Departments concerned, nor are they applicable to Public Works ferry and road receipts and charges collected and paid on account of local funds by Civil Officers without reference to the Public Works Department; nor to owners' rates; nor to cemetery receipts and charges collected and paid by Civil Officers. (Receipts XIII, 1632.

on account of Military cemeteries are, however, creditable to the Public Works Department.) Charges and receipts of these classes are recorded in the Civil Accounts under the head "Public Works in charge of Civil Officers" and are brought direct into the Public Works portion of the Finance and Revenue Accounts of the Government of India by the Accountant General, Public Works Department, from accounts rendered to him by Civil Accountants General.

XIII, 1633. **1460.** The only sources from which "Civil Officers" may be placed in funds for the purpose stated in para. 1458 are the following:—

(1) By letters of credit issued by Civil Accountant General on the application of the Examiner of Public Works Accounts of the Province.

(2) Through an Executive Engineer named by the Local Government or Administration, as laid down for subdivisional officers in para. 1139.

(3) They may, at the discretion of the Local Government or Administration, be appointed imprest-holders under Executive Engineers, and render accounts to the officers from whom they hold imprests in accordance with the rules of the Public Works Department for imprest accounts.

XIII, 1631. **1461.** Officers in charge of civil treasuries are strictly prohibited from issuing any money for such disbursements, except against letters of credit issued in favour of the Civil Officers or the Executive Engineer named by the Local Government or Administration. The Executive Engineer's written authority will always be required before any cheque can be drawn against his letter of credit.

XIII, 1635. **1462.** The Civil Accountant General will take measures to stop and to recover any payments which may have been irregularly made from the general funds in the treasury on works which are chargeable to the departmental part of the Public Works grant.

XIII, 1633. **1463.** The Local Government or Administration, in passing the estimate for a work to be executed, or in

Audit of Civil Officers' Accounts.

giving authority for land to be taken up by a Civil Officer, will, at the same time, determine how the funds are to be supplied, and the Civil Officer will apply to the Examiner or the Executive Engineer for the credits he may require. The Examiner or Executive Engineer will, at the time that he arranges for a letter of credit, furnish the Civil Officer with a cheque book to draw against it.

1464. The Civil Officer's requisition for funds should be submitted to the Examiner or Executive Engineer by the 8th of the month preceding that for which the advances are required. XIII, 1637.

1465. The Civil Officer will send up a brief monthly abstract of receipts and disbursements Form No. 55 B showing total cash received and total expenditure on each work in progress. Vouchers will be sent for all payments in excess of Rs. 10 each, except for service labels, telegrams and establishment charges. This account will be sent direct to the Examiner if the funds were supplied by him; but it will be forwarded through the Executive Engineer if the funds were drawn against his letter of credit. In the latter case the Executive Engineer will embody the cheques drawn by the Civil Officer in his own accounts; the Civil Officer's expenditure will not, however, be incorporated in his accounts, but the amount of cheques drawn will be charged to the head "Transfers of the Public Works Department, Divisional Civil Officers." XIII, 1638

1466. A bill in Form No. 55A will be prepared by the Civil Officer on completion of each original work, and an annual bill for the repairs executed during the year, which will be submitted to the Examiner, either direct or through the Executive Engineer, for final audit. XIII, 1639.

1467. The amount of professional check to be exercised on the proceedings of Civil Officers in regard to the execution of public works will be regulated by each Local Government and Administration as it thinks proper. XIII, 1640.

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(3) They may, at the discretion of the Local Government or Administration, be appointed imprest-holders under Executive Engineers, and render accounts to the officers from whom they hold imprests in accordance with the rules of the Public Works Department for imprest accounts.

XIII, 1634. **1461.** Officers in charge of civil treasuries are strictly prohibited from issuing any money for such disbursements, except against letters of credit issued in favour of the Civil Officers or the Executive Engineer named by the Local Government or Administration. The Executive Engineer's written authority will always be required before any cheque can be drawn against his letter of credit.

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Audit of Civil Officers' Accounts.

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1466. A bill in Form No. 55A will be prepared by the Civil Officer on completion of each original work, and an annual bill for the repairs executed during the year, which will be submitted to the Examiner, either direct or through the Executive Engineer, for final audit. XIII, 1639

1467. The amount of professional check to be exercised on the proceedings of Civil Officers in regard to the execution of public works will be regulated by each Local Government and Administration as it thinks proper. XIII, 1640

XIII, 1641. **1468.** The monthly accounts of Civil Officers, on receipt in the Examiner's office, should be audited in the same manner as those of Executive Engineers.

XIII, 1643. **1469.** Public Works revenue or other receipts realised by Civil Officers carrying out public works must not be expended but paid into the treasury to the credit of the Public Works Departments, the receipt and payments being recorded in the monthly abstract of receipts and disbursements. These receipts and payments into treasury will not be dealt with by Executive Engineers in cases were Civil Officers' accounts pass through their offices. The amounts involved will be taken to account by the Examiner in disposing of the Civil Officers' accounts.

Audit of Land Charges.

XIII, 1644. **1470.** Whenever a payment is made by a special officer or by the Collector or other Civil Officer, the audit of the Examiner of Public Works Accounts shall consist in seeing that every payment is supported by a receipt in Form No. 76D, No. 76E, or No. 76F, and that the amount paid on such receipt is the amount payable under the award, as shown in the statement of which he will have received copies under the rules laid down in para. 804. The Examiner will also note in the last column of Form No. 76A, the date on which possession is taken, as reported to him by the Executive Engineer or other officer.

XIII, 1645. **1471.** The Examiner will, as he receives the vouchers, fill in the entries in columns 9 and 8 of the award statements, Forms Nos. 76 A and 76 C, respectively; and as he receives the reports of possession, he will fill in the entries in column 10 of the statement in Form No. 76A: when all the vouchers showing either payment to the payee or payment into the Court on deposit and the reports of possession have been received, he will forward a copy of the completed statements in

Forms Nos. 76A, 76B, and 76C to the Chief Revenue authority. This will complete the audit of the Examiner; any other or further returns or reports from the officers who assess or pay compensation will be disposed of by the Chief Revenue authority without reference to the Examiner.

1472. A register of charges for land taken up by Civil Officers, whether acting as Public Works disbursers or not, will be maintained by the Examiner in Form No. 77. This register will be posted from the Award Statements (Form No. 76A). XIII, 1646.

1473. Charges disbursed in the Civil Department on account of land acquired for public works will be intimated by the Examiner to the Executive Engineer concerned, who will credit the Civil Department under head "IV.—Items adjustable by Public Works Department."—"*Payments for land for Public Works,*" and debit the work or service head concerned. XIII, 1647.

Audit of Suspense Balances.

1474. The balances of the Public Works Department requiring audit are— XIII, 1648.

Balances affecting charge to Grant

I.—Stock (or Stores).
II.—Purchases.
III.—Sales.
IV.—London invoices.
V.—London stores.
VI.—Workshop Suspense.
VII.—Manufactures.
VIII.—Miscellaneous Advances.

Balances not affecting Grant or Revenue.

IX.—Cash.
X.—Takavi Advances.
XI.—Deposits.

Audit of Suspense Balances.

XIII, 1649. **1475.** Every balance should be proved each month as far as possible, *i. e.*, it should be compared and reconciled with other parts of the accounts where the figures appear, and it should be seen that the total is supported by details, and that the items are current and efficient. The proof of the balances at the end of each official year must be complete.

XIII, 1651. **1476.** An item of receipt should not be carried to *Miscellaneous Advances*, except for adjustment against the debit already there; nor an item of payment to *Deposits*, except against a credit already in that account. A recovery in excess of the amount at debit in Miscellaneous Advances must be credited to the head of Revenue concerned or to Deposits; and similarly, a payment in excess of the amount at credit in Deposits, must be debited to the head of service concerned or to Miscellaneous Advances.

XIII, 1652 **1477.** The Stock balance should be proved twice a year in accordance with the prescribed rules.

XIII, 1653. **1478.** The following are the chief points to be looked to in examining and proving the different suspense balances:—

I.—*Stock (or Stores)*—That—

(*a*) The figures in the Stock registers work up to the amount at debit of stock or stores in the general books or accounts.

(*b*) There is a record of stock having been taken by a responsible officer within the previous twelve months (*vide* para. 1215).

(*c*) The rates at which articles are priced in the Stock registers are not in excess of current rates of purchase or manufacture, or of actual cost price after allowing a percentage for wastage or depreciation.

(*d*) The rules, *vide* paras. 1264 and 1270, relating to depreciation and to obsolete and surplus articles have been observed.

Audit of Suspense Balances.

II.—*Purchases*—That—

(*a*) All items are current, and are for bills payable for articles received or value of supplies from the Forest Department or stores to be paid for through an exchange account.

(*b*) There are no debit items.

NOTE.—If an advance were made for stock to be obtained, it would have to be debited to Miscellaneous Advances.

III.—*Sales*—That—

(*a*) All items are current, and that sufficient documentary evidence exists to support recovery.

(*b*) The sales have been made under competent authority; and that the proper percentages have been added to the book prices, when necessary.

(*c*) There are no credit items.

IV.—*London Invoices*—That—

(*a*) All items are current and readily adjustable on receipt of necessary particulars.

(*b*) There are no items except those which have come from or will pass direct into Expenditure in England or London Account and London Stores.

V.—*London Stores*—That—

(*a*) The items represent nothing else than charges (English or Indian) upon stores imported from Europe, which have not arrived at destination in India.

(*b*) All items are current.

VI & VII.—*Workshop Suspense* or *Manufacture Account* including *Stock Manufacture*—That—

(*a*) The balance is supported by details leading down to the individual operations, such as the individual jobs undertaken in large shops, or the individual operations of brick-making, and such like.

(*b*) The operations are all current and undertaken under competent sanction.

(*c*) The accounts of manufacturing operations carried on from year to year are closed annually at the end of the season.

Audit of Suspense Balances.

(d) Credit items in the detail of balance are noted for immediate adjustment.

(e) The detail consists of nothing else than labour and materials expended upon unfinished works.

(f) That for all jobs undertaken for outsiders, a sufficient deposit has been made, where such a deposit is required by rule; and that on the first appearance of a work it is seen that an estimate is on record, containing the extra percentages required by rule, and accepted by the person or Department ordering the work.

VIII.—*Miscellaneous Advances*—That—

(a) There are no credit items.

(b) There are no items which can be carried to a final head of account or be at once adjusted through Transfers or an Exchange Account.

(c) All items are current and are recoverable or adjustable.

(d) Sufficient documentary evidence exists to support recovery or adjustment.

N. B.—This must be asked for at 31st March, if not recently proved at test-audit.

(e) All advances have been made under competent authority and in accordance with Code rules.

(f) The entries are confined to the following classes of items:—

(1) Charges where the allocation is not known (to be few and of late date).

(2) Advances to be recovered.

(3) Inter-departmental transactions awaiting acceptance by other Departments.

(4) Expenditure irregularly incurred for other than public purposes in anticipation of receipt of Deposits or Contributions.

(5) Payments made in advance for stores to be supplied or transfer debits for value of stores supplied pending receipt of materials.

Audit of Suspense Balances.

IX.—*Cash*—That—

The disbursing officer's cash balance returns of the 31st March have been received in original by the Examiner with the divisional statement of actual cash balance (they are subsequently returned); and that they support the entries in the latter

X.—*Takavi Advances.*—See paras. 1353 to 1355.

XI.—*Deposits.*—That—

(*a*) There are no debit items.

(*b*) All items are of a class which may be rightly placed in this account, *i.e*, that they are—

(1) Sums received to be expended on *works for individuals*, states or corporations financially independent of Government, or payments in advance for stores to be sold to them.

(2) Sums received as security for faithful performance of agreements.

(3) Sums due to contractors on closed accounts—*vide* para. 1340.

(*c*) The half-yearly balances of Government securities recorded on reverse of the schedules submitted by Executive Engineers agree with the register of securities maintained in the Examiner's office.

(*d*) All items are current and relate to works in progress or to agreements in course of fulfilment.

NOTE.—The rules regarding "Deposits" will be found in paras. 1340 to 1343.

1479. *Audit Results.*—Items which, upon the examination of a suspense account, are found to have been wrongly carried into it, and others which have become capable of settlement, are to be noted for immediate adjustment; and every effort should be made to adjust all such items before the final supplementary accounts of March are closed. The balance accounts of the year should close with as few items in them as possible, and those that unavoidably remain should all be proved to be current and efficient XIII, 165

Audit of Half-Yearly Returns of Stock and Annual Returns of Tools and Plant.

XIII, 1655. **1480.** The audit of half-yearly returns of stock and annual returns of tools and plant will be conducted under the following rules :—

Stock.

I. (*a*) The Examiner is supplied monthly with a stock account-current which is audited in connection with the monthly accounts, and which shows in more or less detail, according as the distribution of stock by sub-heads is maintained or not, the balances carried forward from month to month throughout the year.

(*b*) With this account the Examiner is able to verify either the total value of stock as shown in the half-yearly returns, or, if details by sub-heads are maintained, the totals under each sub-head.

(*c*) In addition to this check the Examiner should verify the arithmetical correctness of the return throughout, comparing the opening balances with the closing balances of the previous half-yearly return, and seeing that the result arrived at as the closing balance is correct

(*d*) The Examiner should see that the "present rates" are those shown in the previous half-yearly return as the "adjusted rates", he should see that difference between the adjusted rates at the end of the half-year and the market rates are properly explained; he should look to the method of adjustment adopted, and should see that the requisite periodical verification is reported to have been carried out, and the discrepancies duly dealt with where necessary.

(*e*) No detailed check of the receipts and issues of stock during the half-year is practicable without the submission to the Examiner of the whole of the sub-divisional Forms Nos 10 and 11, and it is not considered necessary that any such check should be attempted.

(*f*) The manner in which the sub-divisional Forms 10 and 11 are prepared is a matter for the Examiner to look

to during his inspection of an Executive Engineer's office, and some of these returns should be test-audited and the divisional return verified by them during the inspection.

Tools and Plant.

II. The Examiner is furnished[3] monthly with Public Works Department Form No. 12, showing receipts and issues only: this return is submitted either in *original for each sub-division or as* a combined return for the division. By means of this return the new purchases are checked with the bills at the same time as the rest of the monthly vouchers. As regards issues, the check is exercised by means of the sale list, sanctions to writes-off by Superintending Engineers and the returns of other divisions. On receipt of the annual return the receipts and issues are checked with Form No. 12 received each month and the opening balances with the closing balances of the previous annual return.

Modifications in this procedure which do not involve the call for additional returns from executive officers may be made by Examiners with the approval of Local Governments and Administrations.

Objectionable Items.

1481. All points noticed during the audit of the monthly accounts as requiring attention or further explanation from the Executive Engineer, and which do not require to be referred to the Superintending Engineer in the divisional Statement of Objectionable Items (Form No. 62), will be entered in the Examiner's Audit Note (Form No. 61). XIII, 1656.

1482. Irregular and excess expenditure can, in certain instances, be passed upon the authority of the Examiner, but it is not intended that such expenditure should be passed without explanation satisfactory to the Examiner being given or without its being demanded, if not given. Such remarks as "the excess is within the Examiner's power to pass" should not be accepted. This XIII. 1657.

may be a warrant for the Examiner passing an excess, but is not a justification for an Executive Engineer having incurred the excess. It is necessary before passing such expenditure that the Examiner should obtain the Superintending Engineer's approval.

XIII, 1658. **1483.** This should be done in the divisional statement of objectionable items (Form No. 62), which will be prepared during the audit of the monthly accounts. It will embody all irregularities discovered, *viz.* :—

(*a*) Expenditure incurred without adequate authority or in excess of sanction.

(*b*) Expenditure incurred without Budget appropriation or in excess thereof; but objections on this score need not be raised before the accounts for the month of July if estimates have been duly sanctioned for the works on which the outlay is incurred.

(*c*) Miscellaneous irregularities, such as unauthorized advances, losses of cash or stock not covered by adequate sanction, irregular charges, etc.

XIII, 1659. **1484.** The statement thus prepared should be forwarded by the Examiner to the Executive Engineer immediately after the completion of the audit of the divisional accounts. The Executive Engineer will then enter his explanations and return the statement to the Examiner through the Superintending Engineer, who will record his opinions on the several items remaining unsettled.

XIII, 1660. **1485.** In the Buildings and Roads Branch a formal allotment of funds is not necessary in the case of work continued from a previous year and likely to be completed in the current year with an expenditure not exceeding Rs. 500. In regard to excesses over Budget appropriations items of excess not exceeding Rs. 500 need not be reported, as such small excesses will usually be counterbalanced by savings on other items and will not appreciably disturb the equilibrium between the Budget grant and expenditure. But for all excesses above grants of more than Rs. 500 on each

work, a specific additional appropriation should be applied for, unless the official year has expired.

1486. In the Irrigation Branch specific appropriations for individual estimates and departmental heads are not required—*vide* para. 1876(*k*). XIII, 1661

1487. From the divisional statements of objectionable items, the Examiner will prepare, quarterly or at shorter intervals as may be considered desirable by local authorities, a separate detailed statement, in form No. 62 A, of all the objectionable items remaining unremedied, which the Examiner and the Superintending Engineer cannot dispose of, or regarding which they differ in opinion. This statement will be accompanied by an abstract (Form No. 62 B) of the objections unremedied, and will be submitted to the Local Government or Administration, for orders within three months after the close of the period to which it refers. A copy of the abstract (Form No. 62 B) together with an extract (Form No. 62 C) from Form No. 62 A of the more serious irregularities, must at the same time be sent to the Accountant General, Public Works Department. In making this extract only items where large amounts are involved or where the nature of the irregularity is exceptional should be entered. XIII, 1662

1488. It is to be understood that the Examiner should not wait for the completion of the statement of objectionable items to report any irregular or excess outlay which may be discovered on receipt of the monthly accounts. On the contrary, the Examiner is *required* to make an immediate and special report by letter of all such items of objectionable outlay which he may consider, either from the amount involved or the circumstances of the case, to require immediate action. A copy of the report should be furnished to the Accountant General, Public Works Department, together with such information within the Examiner's knowledge as, in his opinion, will help to a correct appreciation of the nature of the audit objection. XIII, 1661

XIII, 1665. **1489.** When retrenchments are made, three months' grace will be allowed for reference to Government or further explanation; at the expiration of which time, if satisfactory explanation be not afforded, or if the order of the Local Government or Administration for remitting it has not been received, the retrenchment must be enforced by monthly deductions commencing from the next salary drawn by the person concerned. Such deductions, which must not exceed one-fourth of the civil consolidated or staff salary for the month, will be credited as refunds in the accounts to the head of service affected.

XIII, 1666. **1490.** Any items which require the orders of the Government of India previously to being finally passed should be distinguished in the column "Remarks by Examiner" in the statement of objections (Form No. 62 A). Such are all items of loss of cash and stock, where Imperial funds are concerned, caused by robbery, fire, storm, flood or any other extraordinary occurrence which may exceed Rs. 1,000 in each case, or other items which cannot be disposed of under the existing rules of the Department.

NOTE.—The expression "any other extraordinary occurrence," used in this paragraph, does *not*, as affecting the limit of Rs. 1,000 in each case, include irrecoverable personal advances which are governed by para. 490 of this Code.

XIII, 1667. **1491.** Stock adjustments of the nature referred to in para. 1279 should, where the amount is large, or the circumstances of the case appear to require it, be specially reported to the Local Government or Administration, and to the Accountant General, Public Works Department.

Transfers and Adjustments.

XIII, 1668 **1492.** A transfer transaction is a payment or receipt which has to be passed on by the incurring officer to some other officer of the Public Works Department in whose accounts it has to be incorporated. Such a payment or receipt, if it affect a Department other than the Public Works Department, is called a remittance trans-

action. An adjustment is a transfer from some head or work to another upon the books of the same officer.

1493. The adjustment of charges on account of Imperial establishment employed on Provincial or Local fund works, or *vice versâ*, and all other charges which have to be adjusted between different funds will, as far as possible, be made monthly according to the rules in force in each Province—*vide* para. 137. Any more precise adjustment required to carry out the orders on the subject can be made at the close of the year at any subsequent date up to and inclusive of the accounts for March (Supplementary). XIII, 1

1494. The rule relating to the adjustment with the Civil Department of expenditure on works executed from Local Loans will be found in para. 866. XIII, 1

1495. Charges for land taken up for public works will be included in the cost of the works when the land is taken up for a specific work, and will be charged to the Public Works Budget grant in cases where the cost of constructing the building itself is so chargeable. In other cases the cost of the land is debitable to the Department for which the land or building is being provided. Under this rule, charges for land required by Military authorities for a Military cantonment, with a view of enlarging its limits, or for rifle ranges, and the like, would fall on the estimates of the Military Department. When land is taken up for two or more Departments jointly, the charge shall not be divided, but shall be wholly debited to the Department for which the greater part of the land was taken up. XIII, 1

1496. The rent of any land or building occupied for public purposes shall be paid by the public office or Department occupying it, and recorded in the public accounts as a charge of that office or Department; except in the case of land on which barracks stand, the rent of which is a charge of the Military Works Services. The rules regarding the incidence of cost of XIII, 16

rent of *hired quarters, or of compensation in lieu of* quarters, for Military subordinates will be found in Army Regulations, India, Volume III, paras. 1381 to 1383.

[NOTE.—This rule does not authorise payments or adjustments between *service* Departments—*Vide* Civil Account Code, Volume I, Chapter 6, Article 95.]

XIII, 1673. **1497.** Debits made to this Department at the end of the year for expenditure incurred by another Department, for which funds had not been provided by formal re-appropriation of available Public Works Department funds by the Local Government before the 31st March of each year, may be accepted at the discretion of the Examiner or under the orders of the Local Government. But if the debits exceed Rs 500, a report should be made to the Accountant General, Public Works Department, stating what action has been taken.

XIII, 1674. **1498.** No charges should be made to the Public Works Department when convicts are employed on Jail works. When prison labour is employed on other Public Works, the full market value of the work performed, as certified to by the Executive Engineer, will be charged to the Public Works Department. The adjustment of such charges should be made according to the general rules for payments by one Department to another—*vide* para. 1507.

XIII, 1676. **1499.** Charges on account of works of construction and repair carried out by Public Works disbursers for other Departments (with the exception of work executed in the manufactories and workshops of the Department for which special rules exist) are required under the constitution of the Public Works Department, to be treated as final charges in the Public Works Accounts. Hence no such work of construction or repair, other than those for which provision has been made in the Public Works budgets, may be undertaken for other Departments, save with the special sanction of the Local Government or Administration; and in such cases the outlay must still be recorded as Public Works expenditure,

any necessary action for the provision of funds being first taken by the Local Government or Administration. Such cases can be met by the transfer of funds, under competent authority, from the grant of the Department concerned to the Public Works grant. This rule does not apply to works carried out in a Public Works division from grants of the Military Works Services allotted to it for expenditure, and *vice versâ.*

1500. Special cash expenditure incurred in a division on account of another Department will be adjusted under the following rules :— XIII, 1677.

I.—An actual remittance of cash from or to another Department will be credited and debited, respectively, to that Department.

II.—A disbursement of cash on account of another Department, other than that on works of construction and repair, will be adjusted as follows :—

(*a*) If from Imperial funds on account of Imperial funds, the charge, when not in excess of Rs. 50 for each *bonâ fide* separate transaction, will be adjusted in the [illegible] ment as Minor [illegible] to establishmen[illegible] [illegible] Department.

(*b*) If from Imperial funds on account of Provincial or Local funds, or *vice versâ*, as in (*a*), but the limit will stand at Rs. 10.

(*c*) If the payment affects Provincial and Local funds only within the same province, according to such limits as the Local Government or Administration may prescribe.

(*d*) If from Provincial or Local to another province as in (*b*).

1501. In all the above cases, however, recovery must, XIII, 1678. as a general rule, be made whenever the transaction

affects the expenditure of the Telegraph Department, or of Irrigation and other works for which both Capital and Revenue accounts are kept, and the amount involved in each *boná fide* separate transaction exceeds Rs. 10. The provisions of this paragraph are not applicable in the case of expenditure incurred in a division from grants allotted to it by the Military Works Services for such purpose, and *vice versá*.

XIII, 1679. **1502**. Cash actually expended by one division of the Department on account of another will be brought finally to account in the books of the disbursing division either as Minor Works expenditure, or as Establishment contingencies [*vide* para. 1500 II (*a*)], whenever the sum involved for each *boná fide* separate transaction does not exceed Rs. 10, and the disbursement is not on account of salaries or allowances. In other cases the transaction will be adjusted through the head "Transfers." The provisions of this paragraph apply to all transfers between divisions of the Department, whether in the same or different provinces, and no matter what service head or fund is affected.

XIII, 1680. **1503**. Revenue earned by the Government Telegraph Department, or by Irrigation and other works, for which both Capital and Revenue accounts are kept, will be recovered from the debtor Department or service through the transfer account, irrespective of the amount involved.

XIII, 1681. **1504**. The value of Public Works stock, whether Imperial, Provincial or Local, issued by a division to other Departments or divisions, is adjustable through the transfer accounts, subject to the same limitations imposed in the case of cash expenditure. When such limitations apply, adjustment may be made either under the procedure laid down in para. 1279 or the value of the stock may be charged off as a Minor Work. Petty issues outside the division, or of articles that can be

obtained from the local markets, are consequently prohibited.

1505. When articles borne on the Imperial lists of tools and plant are transferred to other Imperial Departments, services, or divisions, the transfer will be made without charge, provided always the transaction does not affect the accounts of the Government Telegraph Department or of Irrigation and other works for which both Capital and Revenue accounts are kept; in which cases the limit up to which no charge will be made is Rs. 10 for each *boná fide* separate transaction. Tools and plant borne on Provincial lists will similarly be transferred without charge when the transfer is within the province. Other transfers of tools and plant will follow the rules relating to those funds laid down for the adjustment of cash expenditure between Departments and between divisions in paras. 1500 and 1502, respectively. XIII, 1682

1506. When adjustments on account of expenditure incurred, or tools and plant issued, are admissible, the transferring account must show a reduction from the debit side, and the receiving account a corresponding addition to its debit side, so that the net results only may appear and neither the final receipts nor the final expenditure of State funds be exaggerated. XIII, 1683

1507. Local Governments or Administrations may authorize officers in charge of divisions to waive the right of recovery whenever the nature of the transaction renders such a course desirable. All payments of amounts due by one public Department to another should be made by book transaction, except when such book transfers do not suit the methods of account or business adopted by the supplying Department. XIII, 1684.

NOTE.—The foregoing rule will not affect the procedure for the collection of rents from Military officers as laid down in Army Regulations.

1508. The value of buildings transferred from one Department to another, or from one branch of the Public XIII, 1685.

Works Department to another branch, is adjustable under the following rules :—

I.—If the building is transferred from one Imperial Department or service to another, no charge will be made.

II.—If from Imperial to Provincial, or *vice versâ*, no charge will be made, provided the transfer causes no expense to the transferring service.

But should the transfer, either under I or II affect Irrigation and other works for which both Capital and Revenue accounts are kept, a reference must be made to the Government of India :—

III.—If a building that has been constructed from Local funds is transferred to Imperial, the Imperial revenues should (as a general rule) pay the charge, and *vice versâ*.

IV.—Transfers between Provincial and Local, and *vice versâ*, will be dealt with by Local Governments.

XIII, 1686. **1509**. All transfer transactions must be adjusted with the least possible delay.

XIII, 1687. **1510**. To avoid any misunderstanding with regard to debits for the value of stores transferred, officers in submitting indents on the Military or other supplying Department will take care to enter on the indent and receipt, and to note on every other document connected with the transaction, the head of service for which the stores are required, and whether the value of the stores is, or is not, debitable in transfer.

XIII, 1688. **1511**. The acceptance of a transfer debit advised should not be refused, simply because the outlay concerned may have been unauthorised or in excess of sanctioned estimate or appropriation. The principle to be followed is that laid down in para. 1626. If the outlay properly pertains to the division or province debited, the debit should be accepted and adjusted against the proper service head; objections being raised against any irregu-

larities in the same manner as if the outlay had been incurred by a disbursing officer of the province debited.

1512. All necessary vouchers relating to expenditure incurred for other Departments should accompany the monthly accounts. But in cases where the disbursing officer is unable to forward vouchers, such as for "work done in departmental workshops," "work done by daily labour," and petty disbursements under Rs. 10 each, a certificate will be furnished by the Examiner and sent with the other vouchers in support of the charges shown in the Exchange and Central Adjusting Accounts, to the effect that the charges have been duly audited in accordance with the rules of the Public Works Department. XIII, 1689.

Registers of Transfers and Adjustments.

1513. The following registers, etc., will be maintained:— XIII, 1690.

- Register of adjustments, Form No. 58.
- Register of divisional transfers, Form No. 59 A.
- Register of provincial and inter-departmental transfers, Form No. 59 B.
- Monthly list of transfers debited, Form No. 60 A.
- Monthly list of transfers credited, Form No. 60 B.
- Annual lists of transfers debited and credited, Form No. 60 C.

1514. In the register of adjustments (Form No. 58) maintained by the Examiner for his auxiliary accounts will be entered all transfer adjustments between the Public Works Department and the Civil and Telegraph Departments, the Central Adjusting Account, and other provinces and railways, whether for recoveries, payments made or stores supplied; and also the adjustments relating to stores either under "London Account" or the account "Expenditure in England," "London Invoices" and "London Stores," etc., which the Executive Engineer has been asked to adjust or which will have to be XIII, 1691;

adjusted in the Examiner's auxiliary accounts.

XIII, 1692. **1515**. The register of divisional transfers (Form No. 59A) contains in Part I a record of all transfer transactions between the divisions of the province during the month, the entries being posted from the divisional schedules of transfers credited and debited (Forms Nos. 32 E and 32 N), and in Part II the particulars of all transfer debits and credits which remain unadjusted up to date. Part I need not be maintained unless thought necessary—*vide* para. 1517.

XIII, 1693. **1516**. The totals of the monthly debits and credits should correspond with the debits and credits in the register of receipts and charges under the head "Transfers of the Public Works Department, Divisional." The differences between the debits and credits would represent the unadjusted divisional transfers. But although a balance may be held under this head during the course of the year, care should be taken to see that it is kept down as much as possible; and in the accounts of the last month of the year, it is absolutely necessary that the account should close without a balance, in which view the unadjusted items of charge of the paying or issuing office should always be debited in the supplementary accounts for March to the division to which the transfer relates. The same course will be followed in the case of acknowledgments in excess of debits.

XIII, 1694. **1517**. If the Examiner considers it desirable, the register may be confined to recording the items of the unacknowledged balance only of each month, instead of all the items whether acknowledged or not.

XIII, 1695. **1518**. The register of transfers to and from other provinces and Departments (Form No. 59B) will be kept in three parts: Part I shows under a separate head for each province, branch or Department, the transactions with it in lump sums for each month, the entries being posted from the monthly lists of transfers debited and

credited (Forms Nos. 60A and 60B). After the entries for December and March of each year have been posted, the columns will be totalled and the differences to be adjusted brought out. The particulars of the differences will then be posted into Part II, and such action as may be necessary in each case taken to effect the adjustment. When the adjustment rests with another province extracts from Parts I and II should be sent to the Examiner of the province concerned for necessary action. Part III is a summary of the debits and credits of the province, and is posted from the totals to end of December and March of each year as shown in Part I. The object of this part is to bring together the debits and credits to the several provinces for the purpose of comparison with the register of receipts and charges, so as to obtain the means of testing the accuracy of the entries and of rectifying any errors or omissions.

1519. Monthly lists of transfers debited and credited to other provinces (Forms Nos. 60A and 60B) will be prepared from divisional schedules of transfers credited and debited (Forms Nos. 32E and 32N) and forwarded monthly to the Examiners concerned. XIII, 1696.

1520. On receipt of the monthly lists from another province, each entry should be compared with the corresponding entry, if any, in the counterfoil of the lists despatched to that province and, if it agrees, the month in which it was originated and the month in which it has been adjusted will be noted in red ink against the item on the lists in which the item was respectively responded to and originated; any difference which may come to light being at once enquired into with a view to adjustment. XIII, 1697.

1521. Immediately after the closing of the accounts for March (Preliminary) an annual list of transfers (Form No 60C) will be despatched to the Examiner of each province or railway with which there have been transfer transactions during the past official year. This list will show the total amount debited and credited each month during the year. It will be checked by the XIII, 12[illegible]

Examiner to whom it is sent and returned, in original, with notes regarding unadjusted items, if any.

Adjustment of Expenditure in the Public Works Department on account of Military Operations.

XIII, 1700. **1522.** The following rules relate to the adjustment of charges incurred by Executive Officers of the Department in connection with military operations in the field.

XIII, 1701. **1523.** The main object to be kept in view is that the Government of India in the Army Department, or Department of Military Supply, as the case may be, should have, through the Field Controller of Military Accounts, the earliest possible information of—

(i) The probable cost of all works or services which from time to time the Military authorities require to be performed by the Public Works Department in connection with operations in the field.

(ii) Timely advice of the approximate outlay of each month on such services.

(iii) The outlay actually incurred monthly, and the amount of liabilities remaining to be discharged.

XIII, 1702. **1524.** In view to meeting these requirements it will be necessary, in the first place, to see that for all works the execution of which is entrusted to the Public Works Department, and for all services required of that Department, which are likely to cost more than Rs. 500 in each case, estimates are framed and submitted to the proper authority (*i. e.*, the departmental authority concerned according to the amount involved) for sanction and for communication after sanction to the Government of India concerned (*see* para. 1523), through the Public Works Department of the Government of India. Local Governments and Administrations will be held responsible that this is promptly done.

NOTE.—This paragraph applies only when *works* are actually carried out by [illegible] officers [illegible] Command- [illegible] ssed on in [illegible] Military [illegible] or of a [illegible]

Military Operations.

1525. No details by sub-heads or items will be required in the case of estimates for works or services costing under Rs. 2,500; and the expenditure on works costing under Rs. 500 may be incurred upon the requisition of the Commanding Royal Engineer of the force in the field, and will be regularised when completion reports are submitted and passed by that officer. XIII, 1703.

1526. Executive officers will be required to ensure not only the rapid execution of works, but also the prompt settlement of claims for work done. XIII, 1704.

1527. Nothing in these rules may be taken as tending to permit a hasty and imperfect inspection of works and disposal of claims. On the contrary, as the circumstances attendant on the execution of works of this nature render it necessary to relax in a great degree the ordinary rules and procedure in connection with the audit of expenditure, Executive officers are directed to exercise every possible precaution to protect the State from being supplied with inferior work or materials, and to dispose of claims in such a manner as will render it impossible for such claims to be preferred a second time with success. XIII, 1705.

1528. All disbursing officers must recognise fully the importance of punctually submitting clear accounts of their expenditure to the Examiner with whom they are in account. Nothing is more calculated to defeat the object aimed at by these rules than the framing of imperfect estimates, or delay in the submission of accounts. XIII, 1706.

1529. In cases where the Local Government or Administration may consider it desirable to relieve Executive officers of the duty of compiling accounts, they will be required to submit periodically to the Examiner duly certified copies of their cash books, supported, as far as possible, by vouchers. Where this course is adopted the cash book entries must be so clearly and fully made as to enable the Examiner to classify the expenditure therefrom without any further XIII, 1707.

reference to the disbursing officer. In this view particular care must be taken to specify clearly and fully the individual work and the particular service on account of which each payment is made, and the sources from which money is received.

XIII, 1708. **1530.** Where works are executed by officers of the Royal Engineers, or by other Military officers, in account with the Public Works Examiner, under the orders of the General Commanding in the field, the procedure indicated above in regard to accounts will be followed. In such cases the accounts must be passed before submission to the Examiner by the Commanding Royal Engineer.

XIII, 1709. **1531.** It will be the duty of Examiners of Accounts while relaxing the audit rules and procedure to suit the circumstances under which this expenditure is incurred to see that all outlay is clearly entered in the accounts of disbursing officers, and supported, as far as possible, by vouchers.

XIII, 1710. **1532.** They will also be held responsible that expenditure incurred by officers in account with them on works connected with an army in the field is transferred to the Military Accounts Department at the earliest possible date.

XIII, 1711. **1533.** As a rule, expenditure should be so transferred in the accounts of the month in which it was incurred, and the approximate cost of services rendered (*e. g.*, the transmission of bearing telegrams) must, where the amounts involved are of importance, and there is any delay in arriving at their actual value, be transferred in the same manner, leaving the difference, if any, between actual and approximate figures to be adjusted as soon as possible after the former are known.

XIII, 1712. **1534.** If it should happen that expenditure on a work or project is partly debitable to the "Military" as War expenditure, and partly to Public Works Department, the entire expenditure will be debited to

"Military," in the first instance, monthly as incurred, and an adjustment made between the two Departments when the work is completed.

1535. In cases where the transactions of the Public Works Department with the Army Department or the Department of Military Supply are heavy, it may be necessary to locate a branch Public Works audit office in charge of a junior officer or senior Accountant at the base of operations, to work in conjunction with the Field Controller of Military Accounts on the spot. In this branch office detailed accounts will be compiled from the cash books of disbursing officers, and a monthly clearance obtained of all War expenditure audited and passed, by transfer to the Military Accounts Department in the usual manner. XIII, 1713

1536. Examiners will be required to send by telegraph, to the Controller of Military Accounts concerned regularly on or before the 25th of each month, an approximate statement of the sum likely to be debited to "Military" in the Central Adjusting Account of the previous month. XIII, 1714

1537. Examiners will at the same time advise the Controller of Military Accounts concerned of any considerable liabilities remaining undischarged. XIII, 1715

1538. The debits against "Military," through the Central Adjusting Account, on account of constructing roads, telegraph lines and other works in connection with field operations, should be supported by— XIII, 1716

(1) A copy of the sanction to estimate.

(2) A copy of the order under which the work has been undertaken.

1539. Unless the order is issued by the Government of India in the Army Department or Department of Military Supply, or by His Excellency the Commander-in-Chief, it should, in every instance, bear the signature or countersignature of the General Officer Commanding the expedition. XIII, 1717

XIII, 1718. **1540.** When works are carried out by Public Works Officers, the responsibility for detailed audit rests with the Examiner, who will retain the vouchers for all charges incurred on this account. In lieu of the vouchers the total debit in the Central Adjusting Account should be supported by a certificate in the following form :—

"Certified that the charge for Rs. * * * has been actually incurred during the present financial year in connection with the field operations, and that it has been duly audited and passed in accordance with the rules of the Public Works Department."

XIII, 1719. **1541.** In exceptional cases when important works have necessarily to be executed by Field Engineers, and not by officers of the Public Works Department, the expenditure on which should, in the opinion of the Accountant General, Public Works Department, come under the audit of a Public Works Examiner, steps should be taken to refer each such case specially for the orders of the Government of India in view to an exception being made. In such cases the audit would be transferred to the Public Works Department or that Department would lend an officer to the Military Accounts Department to aid in auditing and passing the charges.

XIII, 1720. **1542.** It will be necessary, when the occasion arises, to prepare and attach to the Central Adjusting Account separate schedules for the outlay incurred and charged to the Army Department on account of each particular expedition.

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XIII, 1721. **1543.** The books to be kept in this section are—

Register of salaries . .	Form No. 64
Register of travelling allowance bills . . .	" " 64 A
Register of contingencies .	" " 64 B

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Objection book . .	Form No. 65 A
Progress register showing dates of receipt and disposal of bills and disallowance lists	Local Form.
Register of sanctions to establishment . . .	Form No. 66
Records of service . .	„ „ 67
Service books . . .	„ „ 23 (C. S. R.)
Progressive abstract of audited establishment charges .	„ „ 69
Register of officers lent to Native States, etc. .	„ „ 70 A
Register of contributions towards pension, etc. . .	„ „ 70 B

1544. A main feature, next to absolute accuracy, to be always observed in the disposal of work in this section is celerity. Delays in personal matters frequently cause great inconvenience. XIII, 1722.

1545. The audit of salary and travelling allowance bills will be made under the rules laid down in this *Code* and in the *Civil Service Regulations* and in certain special cases by rules contained in the Army Regulations. XIII, 1723.

1546. In auditing Establishment bills and generally with respect to all departmental accounts, the Examiner will disallow charges only when they are clearly inadmissible or where a rule has been distinctly infringed. In doubtful cases he will pass the charge provisionally and ask for an explanation from the responsible officer. *If the explanation satisfies neither the Examiner nor* the Superintending Engineer, the item should be retrenched ; but if the Superintending Engineer accepts the explanation, the Examiner, if not satisfied, should still pass the charge provisionally, reporting the circumstances of the case to the Local Government for orders. His subsequent action will be in accordance with the instructions contained in para. 342. In cases where XIII, 1724.

doubt is entertained as to the Department to which any part of an officer's allowances should be debited, while his personal title thereto is unquestioned, the Department which has been passing an officer's pay if satisfied that he has been actually on duty for the period for which a claim is made shall continue to do so, subject to re-adjustment in the accounts on the final decision as to the debit, which decision should be applied for without delay.

XIII, 1725. **1547.** An account officer shall, unless he receives special orders from the Local Government, refuse to investigate claims to arrears of pay or allowances or to increments which have been allowed to remain in abeyance for a period exceeding two years.

XIII, 1726. **1548.** The particulars of any amount disallowed or passed provisionally will be entered in the "Objection Book" (Form No. 65A) and its adjustment there watched. With reference to the Objection Book and the bills under audit the list of disallowances (Form No. 65) will be prepared and sent to the drawer of the bill.

XIII, 1727. **1549.** All replies to disallowances must be written on the disallowance statement, in the column provided for that purpose, and the statement returned to the Examiner. The statement will be again transmitted to the drawer of the bill with the Examiner's decision recorded on it. Disallowances, if remitted, will be included in the next bill submitted after the remission has been made, but, if it has not already been paid, the amount remitted may be disbursed at once.

XIII, 1723. **1550.** Salary and travelling allowance bills after audit will be returned to the drawers of the bills and will be re-submitted to the Examiner with the monthly accounts as accompaniments to the schedule of establishment charges (Form No. 33 C); but when this cannot be done in time, simple audit intimations may be sent to the drawers and the bills attached to the accounts in the Examiner's Office.

Establishment Audit.

1551. When an officer is transferred to another province, the Examiner will immediately send an advice, on his last-pay certificate, or if not known in time to be entered thereon, by special letter, to the Examiner of that province of any unadjusted accounts or claims that may be outstanding against him. The latter Examiner will thereon deal with the items and effect their adjustment, under paras. 1307, 1484 and 1548, precisely in the same way as if they had been disallowed under his own audit. XIII, 1729.

1552. The Examiner will also adjust in the same way all claims brought against an officer by the Civil or Military Department, arising out of transactions which occurred when he was serving in either of those Departments. But if the officer in such cases shows reasonable cause why recovery of the claim should not be enforced, enforcement of the retrenchment should be withheld, pending reference to Government in the Department concerned. Items recovered in this way should be credited to the Department concerned in the account set apart for it. XIII, 1730.

1553. The audit of a salary bill is carried out by a comparison of the charges made with those of the previous month, due attention being given to changes which have occurred during the month concerning which certificates or reports shall be submitted with the salary bill as follows :— XIII, 1731.

For new appointments—

(a) Sanction to the appointment.

This should be communicated separately to the Examiner [illegible]

[illegible] f

pay (see para. 10, note 4).

(c) Health certificate signed by a Commissioned Medical Officer or by a Medical Officer in charge of a civil station.

NOTE.—Not required for inferior appointments

(d) Report of date of birth. This is required only on first engagement of permanent men. See para 1587.

(e) Report of date of entering upon actual duties.

(f) In the case of a Sub-Overseer, a certificate of his ability to render accounts in English.

(g) In the case of temporary employés a note that the declaration, required by para. 111 (iv), has been recorded.

For transfers—

(a) Last-pay certificate.

(b) Reports of dates of giving and taking over charge.

In case of leave—

(a) Sanction to the leave, and statement of its nature and extent. This should be communicated separately by the sanctioning authority.

(b) Life certificate or indemnity bond to refund over-payments executed by a recognised bank or agency firm (Form No. 116 B or No. 116 C).

(c) Report of date on which leave was availed of.

(d) Report of date of return to duty.

(e) Sanction for substitute, if any. This should be communicated separately by the sanctioning authority.

(f) Last-pay certificate on return from furlough and intimation of date of landing.

In the case of promotion, increment, sub-divisional allowance, or any new or unusual charge—

(a) Sanction of competent authority. This should be communicated separately by the sanctioning authority.

For Barrack Establishment—

(a) Ration certificates.

(b) Certificates for compensation in lieu of bedding.

(c) Certificates for allowances for wife and children.

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For Special Divisions—

(a) *Presidency Towns.*—Certificates that persons for whom Presidency house-rent is drawn have not occupied Government quarters; and certificate in support of Presidency house-rent claimed for periods of absence from a Presidency town.

(b) *Baluchistan.*—Certificates that persons for whom frontier allowance is claimed were actually across the frontier, except in cases of absence on privilege leave [Civil Service Regulations, Article 267 (2)].

Bills for April and October—

The station at which each member of the establishment is located to be noted for the purposes of the Classified Lists.

Bill for July—

The date of birth of each member of the establishment to be noted.

Temporary Establishment—

The sanction of the Government of India to the retention of temporary servants on more than Rs. 250 *per mensem.*

Admission to the General Family Pension Fund, the Bengal Christian Family Fund, and the Hindu Family Annuity Fund—

A declaration from the subscriber as follows :—

"In accordance with the condition upon which the Government of India allows certain facilities to the fund, I have to record that I am fully aware that the Government of India exercises no supervision over the management of the fund and is in no way responsible for its solvency."

1554. The salary bill will be accompanied by a statement of income-tax assessed in Form No. 21 C. Full instructions regarding the assessment of the tax are printed on the back of the form. XIII, 1732.

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XIII, 1733. **1555.** The particulars of each salary bill will be entered in the Register of salaries (Form No. 64, Part I) in the manner indicated by the notes printed on the back of the form. This register will open with the charges for March and close with the charges for February of each year.

XIII, 1734. **1556.** Travelling allowance bills will be accompanied by—

(*a*) Journals countersigned by the duly appointed controlling officer personally (para. 1203).

(*b*) Superintending Engineer's sanctions to grant of horse allowance (Civil Service Regulations, Article 1077). These should as a rule be sent to Examiner by sanctioning authority.

(*c*) Certificates in special cases as prescribed—*vide* note on P. W. D. Form No. 22 B.

(*d*) Authority for travelling beyond jurisdiction.

XIII, 1735. **1557.** In auditing travelling allowance bills it should be seen that the salary has been passed for each person for whom travelling allowance is claimed, for the period for which travelling allowance is billed for. Distances by road should, when feasible, be compared with the route book and railway fares always with the Railway Guide, and it should be seen that the starting points for all journeys are those fixed by the territorial Local Government. Where officers performing official duties have to make lengthy detours, and it is not possible to check the distances billed for by tables, route books or other official documents, the distances passed by the controlling officer may be taken as correct and his check accepted as sufficient.

XIII, 1736 **1558.** The total audited amount of the monthly travelling allowance bill of each division or office will be posted in the Register of travelling allowance bills (Form No. 64 A). At the end of the year the total will be transferred into the Progressive abstract of audited establishment charges (Form No. 69).

Sub-head No.	SUB-HEAD.
1	Office rent.
2	Country stationery and other petty bazaar purchases.
3	Postal, telegraph and money-order commission charges.
4	Carriage of parcels, treasure and other Government property.
5	Working punkahs and tatties.
6	Law charges.
7	Donations for passing examinations in native languages.
8	Medicine and hospital charges.
9	Books and periodicals.
10	Printing, binding and advertising.
11	Office furniture (Direction and Accounts only).
12	Other charges not included in above.

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XIII, 1740. **1562.** In the audit of contingent bills all abnormal charges should be promptly challenged and all bills of which the total exceeds Rs. 500 should be submitted to the Local Government or Administration for sanction, unless a special item (or items) in the bill which, if excluded, would bring it under Rs. 500 has been separately sanctioned by the Local Government or higher authority.

XIII, 1741. **1563.** The Register of contingencies (Form No. 64 B) will be posted from the abstracts on the bills, which should exhibit the audited charges only. At the end of the year the totals of each Division or Office should be transferred into the Progressive abstract of audited establishment charges (Form No. 69). This Register will open with the charges for April and close with the charges for March of each year.

XIII, 1742. **1564.** As soon as the salary and travelling allowance bills for February and the contingent bills for March in each year have been audited and the establishment registers closed, the total audited charges of the year under the principal heads will be posted from the detailed registers into the Progessive abstract of audited establishment charges (Form No. 69). The booked expenditure will afterwards be entered as soon as the sub-registers (Form No 74) have been completed, when the expenditure can be compared with the audits and the Budget grant.

XIII, 1743. **1565.** To admit of a regular and methodical record being maintained of the general changes made, from time to time, in the sanctioned strength of the establishment, a register of sanctions to establishment should be kept in Public Works Department Form No. 66. This form is in two parts as follows:—

Part I.—Register of Establishment sanctioned for the Province.

Part II.—Register of Establishment sanctioned for each Division or Office.

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1566. The register will be of use in making a comparison between the actual strength of the establishment and the sanctioned strength, and this should be done as frequently as changes occur. XIII, 1744.

1567. A *record of service in Form No. 67 will be* kept by Examiners of accounts for all officers of gazetted standing, whether pensionable or non-pensionable, permanent or temporary, and for all subordinates holding honorary rank. XIII, 1745.

1568. The first page will be filled in on an officer's first appointment to the Department or on promotion from the subordinate ranks, and should be signed first by the officer himself and then countersigned by the Examiner. XIII, 1746.

1569. The first entry to be made on page 2 will be the first appointment, and the initial salary drawn, after which subsequent promotions, reversions and other events causing variations in salary, will be entered as notified. The salary columns on this page are given to facilitate the calculations of leave allowance and pension. XIII, 1747.

1570. In posting the leave statement (page 6) the periods spent on subsidiary leave prior and subsequent to furlough should be shown separate from the time spent on furlough. XIII, 1748.

1571. Bound registers containing records of service of all officers attached to a province or railway should be maintained in the Examiner's Office, independent of the original copy which is transferred from one Examiner to another on the transfer of the officer to another circle of audit. These registers should be neatly indexed and should contain references regarding the receipt or transfer of the original record. The entries in these registers will be restricted to the period during which the officer concerned is attached to the province or railway. XIII, 1749.

1572. On receipt of a gazette notification or order or report affecting an officer's service, the register XIII, 1750.

containing the office copy of his record of service should be posted at the same time that such events are posted in the salary audit register.

XIII, 1751. **1573.** On the transfer of an officer to another circle of audit, the original copy of his record of service should be filled in from the entries made in the register and transmitted under registered cover to the Examiner concerned.

XIII, 1752. **1574.** The entries on page 7 should be confined as far as possible to notes such as the receipt of special thanks of Government, names of literary works published, special honours granted, etc.

XIII, 1753. **1575.** The rules regarding the up-keep of service books will be found in Articles 816-822 of the Civil Service Regulations. The rules regarding the Maintenance of military records of service will be found in Army *Regulations, India, Volume II, paras.* 473-76 *and Volume* XII, para. 18.

XIII, 1754. **1576.** A register of officers (gazetted or non-gazetted), lent or transferred to Foreign Service of the 1st and 2nd kinds (Civil Service Regulations, Chapter XL), should be kept in Form No. 70 A.

XIII, 1755. **1577.** The register should be posted on receipt of the Government order sanctioning the transfer. All orders subsequently received regarding the officer concerned should be recorded in the register, as well as the cause of the contribution ceasing to be realized owing to re-transfer, death, dismissal or any other cause.

XIII, 1756. **1578.** No entries should be made in the interest table, except on the occurrence of a delayed or short payment of the contribution.

XIII, 1757. **1579.** Contributions are due within fifteen days of the quarter for which salary in Foreign Service is earned. If an officer fails to make the remittance within fifteen days, or if the amount remitted is less than that properly payable, interest at the rate of 4 pies a day per Rs. 100 will be levied upon the amount due from the date

of expiry of the said fifteen days until the date of receipt of the remittance. If any amount due is not paid up, together with interest for the time it has been overdue, within twelve months of its accrual, the Examiner should inform the officer that in consequence of the default in payment his claim on the Government for pension and leave allowances has lapsed, and should intimate to the officer the amount due up to the date of the communication. If the officer desires to have his claim revived, he should pay the amount specified in the Examiner's letter, and submit a representation to the Local Government for submission to the Government of India.

1580. When a contribution falls into arrears, the Examiner should forward to the officer a copy of the foregoing paragraph with a request for payment. XIII, 1758.

1581. When an officer transferred to Foreign Service is a subscriber to the Uncovenanted Service Family Pension Fund, the fact should be intimated to the Secretary of the Fund. XIII, 1759.

1582. A register of contributions towards pension and leave allowances received from officers lent or transferred to Foreign Service will be kept in Form No. 70 B. XIII, 1760.

1583. Rules for the disposal of applications for leave and regarding the issue of last-pay certificates will be found in paras. 397 to 417, and on Forms Nos. 114 A to 114 L and 115. XIII, 1762.

1584. Copies of all applications for leave (Form No. 115), of last-pay certificates (Forms Nos. 114 D, 114 E, and 114 F) and of leave certificates granted (Forms Nos. 114 G and 114 L) should be kept in the Examiner's Office. XIII, 1763.

1585. Applications for gratuity and pension will be disposed of in accordance with the rules contained in Part X, Civil Service Regulations. XIII, 1764.

1586. Examiners of Accounts should submit to the Local Government, or Head of Department referred to in Article 462, Civil Service Regulations, on or XIII, 1765.

before the 1st of September in each year, a list of the officers under their audit who will attain the age of 55 years, or whose extension of service will expire during the next official year, in view to orders being passed for the vacation by Military officers of their appointments under Article 616 of the Civil Service Regulations, for the retirement of those who are required to retire under Article 650, and for the retention or retirement of the others under Article 459

XIII, 1765 A **1587.** Any declaration of age for public purposes expressed, or implied, by officers and subordinates of all classes in the Department, either before or on entering Government service, will be held absolutely binding, and no revision of such declaration will be permitted at a later period for any purpose or on any pretext whatsoever.

XIII, 1766. **1588.** When the year of the birth of an officer is known, but not the exact date, the 1st July should be treated as the date on which he should be held to attain the age of 55 years. When the month of the birth of an officer is only known the 15th of that month should be treated as the date.

XIII, 1767. **1589.** In the case of Accountants, the list referred to in para. 1765 should contain a report by the Examiner stating, for specified reasons, whether the Accountant is recommended for retirement or for an extension of service for any stated period, provided he continues to be efficient. This report should, in the case of 1st and 2nd grade Accountants serving under Local Governments, be made after reference by the Examiner to the Accountant General whose views should be embodied in, or attached to, the report.

XIII, 1768. **1590.** A quarterly list of officers who have proceeded to England with last-pay certificates, showing that their absentee allowances are not wholly chargeable to general revenues, should be prepared by the Examiner in Form No. 68 on the first day of January, April, July, and October, and should be forwarded, except in the

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case of Madras and Bombay, to the Accountant General, by whom a return will be prepared for transmission through the Government of India to the Secretary of State. Should there be no occasion to submit a list, an intimation to this effect should be forwarded by a "*Nil*" form (Form No. 148). In the case of the Governments of Madras and Bombay, the list (which will include only the officers serving under those two Governments) will be sent to the Local Governments, who will send them on direct to the Secretary of State.

1591. Corresponding lists to these, showing the payments made at the Home Treasury of absentee allowances, which are not wholly chargeable to general revenues, will be supplied to Examiners by the Accountant General, upon which the necessary steps should be taken to effect adjustment of the payments. XIII, 1769

1592. A half-yearly classified list of the Accounts Branch in each Province, in Form No. 110, Parts I and III, will be submitted by the Examiner to the Accountant General, so as to reach his office by the 10th June and 10th December of each year. XIII, 1770.

1593. The names of *Accountants recommended for* promotion will be submitted from time to time, on the occurrence of vacancies, by Examiners to the Local Government for orders, and in the case of Local Administrations annually by the first week in January, in Form No. 109 B, to the Accountant General, after taking the orders of the Head of the Administration concerned. XIII, 1771.

1594. An Annual Report, in Public Works Department Form No. 70, on the efficiency of the Accountants in each Province, will be submitted by the Examiner to the Accountant General, on the 30th April, or as soon after that date as possible. Examiners, in recording in the annual statement their detailed views of the efficiency of their Accountants, should mention not only cases of general efficiency and merit, but also any points in which an Accountant is specially excellent, as for XIII, 1772.

instance, précis work, drafting letters, neat and good book-keeping, knowledge of the Public Works accounts, or of Public Works rules and procedure, Establishment matters, and the like.

XIII, 1774. **1595.** A quarterly return in Form No. 156, showing the payments made on account of deferred pay to soldiers serving in the Public Works Department should be submitted to the Accountant General so as to reach his office not later than the 15th of the month following the quarter to which it relates.

XIII, 1775. **1596.** Any sums which may be remitted from India to England for payment in the latter country on account of deferred pay due should be entered separately in these statements in red ink, the months in which the remittances were made being entered in the column of remarks.

Booking of Executive Engineers' Accounts.

XIII, 1776. **1597.** The monthly divisional accounts immediately after audit will be posted into the following registers:—

Register of expenditure against Budget grants, Form No. 72.

Register of receipts and charges, Form No. 73.

Divisional sub-register, Form No. 74.

XIII, 1777. **1598.** The register of expenditure against budget grants (Form No. 72) will be posted from the divisional abstracts of expenditure against budget grants (Form No. 32 O), and from it will be prepared the schedules D to N, which accompany the account-current rendered to the Accountant General, Public Works Department. Separate folios should be kept for each fund head.

XIII, 1778. **1599.** The register of receipts and charges (Form No. 73) will be posted from the divisional accounts-current (Form No. 27), and from it will be prepared the Provincial account-current (Form No. 79).

1600. The divisional sub-register (Form No. 74) is posted from the several schedules which accompany the monthly accounts of Executive Engineers. XIII, 1779.

Booking of Civil Officers' Accounts.

1601. The transactions of Civil Officers who render accounts direct to the Examiner will be kept in one set of books, consisting of a classified abstract of receipts and charges (Form No. 75) and a register of works (Form No. 76). XIII, 1780.

1602. Both will be posted from the Civil Officers' abstract of receipts and disbursements (Form No. 55 B). The totals under the several heads in the classified abstract will be posted in the registers of expenditure against budget grants and of receipts and charges (Forms Nos. 72 and 73). XIII, 1781.

1603. With respect to charges for land taken up by Civil Officers, whether acting as Public Works disbursers or not, reference should be made to paras. 1470 to 1473. XIII, 1782.

Monthly Accounts of the Province.

1604. As soon as the books of the Examiner are posted for each month, but not previously, a monthly account current (Form No. 79) should be prepared for and submitted to the Accountant General of the Department. This account, which will be prepared from the register of receipts and charges (Form No. 73), will open and close with the departmental cash balances, and should be despatched from the Examiner's office on or before the 20th of the second month succeeding that to which it relates. XIII, 1783.

The time allowed in Examiner's offices for the audit and booking of the accounts is considered sufficient for the purpose, and Examiners will use their best endeavours to despatch their monthly accounts within the

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prescribed time. When, in exceptional cases, the accounts *cannot be sent forward by the 20th of the second* month succeeding that to which they relate, the fact should be reported on that date without fail to the Accountant General, Public Works Department, with an explanation of the cause of delay, and stating when the accounts may be expected.

XIII, 1784. **1605.** In the account-current receipts under revenue and expenditure against budget grant, Provincial, Incorporated and Excluded Local, and Imperial are required to be shown net. Refunds of revenue, instead of being shown on the credit side of the account-current, appear as deductions on the debit side: credits to Suspense accounts and credits to "Expenditure in England" are shown, not on the debit side of the account, but as deduction entries on the credit side. By this arrangement the net revenue of the month, and the net expenditure against the grant, are brought out distinctly. To this rule refunds of revenue made in cash, in the Irrigation Branch, is the only exception. These refunds are charged off as expenditure on Revenue Account.

XIII, 1785. **1606.** The principle on which the account-current is to be prepared, *viz.*, that all the entries should be shown net, *i. e.*, after deduction of writes-back, is to be carried out thoroughly. If, for instance, it happens that the debits to Original Works, Imperial, are less than the credits to that head, the difference should be shown in red ink on the credit side of the account as a deduction entry against the head of service concerned. Similarly, if the refunds under revenue happen to be in excess of the receipts under that head, the difference should be entered in red ink on the debit side of the account. On no account should such *minus* results be transferred as *plus* results to the opposite side of the account.

XIII, 1786. **1607.** The debits and credits to the Civil Department as shown in this account should correspond exactly with the amounts shown in the Exchange Account rendered to the Civil Department. The Exchange Accounts are

mere details for a specific purpose of entries upon the Examiner's books summarised in his monthly account-current *rendered to the Accountant General, Public* Works Department. Writes-back of erroneous credits should be treated, not as debits, but as reductions of the credit of the month. Thus, if it happens that in the previous month cheques paid had been shown at Rs. 20,000 in excess of the actual or correct amount, such excess should be treated as a reduction of the credits raised in the current month under the same head. The same course should be followed with corrections of errors in credits or debits to other accounts.

1608. The above rule regarding writes-back is not applicable to the Central Adjusting Account. Any items in that account which have to be written back should be adjusted by re-debit or re-credit as responding items, *vide* the foot-note on Form No. 79 A, and para. 1640. XIII, 1

1609. The monthly account-current will be accompanied by the necessary schedules. These are as follows :— XIII, 17

Schedule A. Credits to London Account—Stores. " B. Credits and debits to London Account—Miscellaneous. " C. Credits to Expenditure in England.	For Buildings and Roads and Irrigation Branches.
Schedule D. Expenditure, Imperial—44. Military Works. " E Expenditure, Imperial—45. Civil Works. " G. Expenditure, Provincial—45. Civil Works. " H. Expenditure, Incorporated Local—45. Civil Works	For Buildings and Roads Branch.

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Schedule	D. Revenue XXX—Minor Works and Navigation.	For Irrigation Branch.
"	E. Expenditure, Imperial—35.—Protective Irrigation Works	
"	F. Expenditure, Imperial—42.—Major Works, Working Expenses.	
"	G. Expenditure, Provincial—42.—Major Works, Working Expenses.	
"	H. Expenditure, Imperial—43.—Minor Works and Navigation.	
"	I. Expenditure, Provincial—43.—Minor Works and Navigation.	
"	J. Expenditure, Incorporated Local—43.—Minor Works and Navigation.	
"	K. Expenditure, Imperial—49.—Irrigation Works, Construction.	
"	L. Expenditure, Imperial—33.—Famine Relief Works in charge of Public Works Department.	For the Buildings and Roads Branch the form for Schedule "E," Expenditure, Imperial, 45—Civil Works, and for the Irrigation Branch the form for Schedule "K," Imperial, 49—Major Irrigation Works, Construction, will be utilised for these schedules.
"	M. Expenditure, Provincial—33.—Famine Relief Works in charge of Public Works Department.	
"	N. Expenditure, Incorporated Local—33.—Famine Relief Works in charge of Public Works Department.	

XIII, 1789. **1610.** Blank schedules need not be submitted, but the fact of their being blank should be noted in the

place set apart for the purpose in the form of account-current.

1611. Schedules A, B and C will be prepared from the corresponding divisional schedules, Forms Nos. 32 F and 32 Fi, and from Examiner's registers, Forms Nos. 78 A, 78 B, and 78 D, Schedules D to N will be prepared from Examiner's registers of expenditure against grants (Form No. 72). XIII, 1790. and 1791.

1612. The other monthly returns of the booking section are— XIII, 1793.

[illegible]	*vide*	para. 1613 *et seq.*
[illegible]	"	" 1630 "
[illegible]	"	" 1641 "
State expenditure on account of Companies' lines	"	" 1656 "

Exchange Accounts.

1613. The Examiner should send monthly to the Civil Accountant General concerned an account (Form No. 86) of the debits raised and the credits afforded by him to the Civil Department *in his books of the month*, and the Examiner will receive, in return, from the Civil Accountant General, an account of the credits afforded and the debits raised to the Public Works Department in the Civil accounts of the same period. The outward Exchange account-current should be despatched not later than the 22nd of the second month succeeding that to which the transactions relate. XIII, 1794.

1614. The account to be furnished by the Examiner will be a combined one for the Buildings and Roads (including State expenditure on account of Companies' Railways) and Irrigation Branches, but a separate Exchange account is required for the transactions of the Railway Branch. If, therefore, an Examiner has transactions in the Buildings and Roads, Irrigation and XIII, 1795.

Railway Branches, he will have two distinct accounts with the Civil Department. He should, therefore, be careful to arrange, with respect to applications for letters of credit, and cheques and payments into treasuries, that sufficient description be given to clearly indicate to which account the transactions are to be taken.

XIII, 1796. **1615.** In cases where a branch of the Public Works Department has transactions with the Civil Department of more than one province, each Civil Accountant General should be furnished with an exchange account-current with schedules, the totals of the whole of the accounts being brought together in a register, so as to ensure the accuracy of the whole by comparison with the total credits and debits to Civil Department in the Public Works accounts; but, as a general rule, an Examiner can adjust any item with another Civil Administration through the Civil Accountant General only with whom he is ordinarily in account.

XIII, 1797. **1616.** When an Examiner wishes to open an exchange account with any Civil Accountant General other than the officer with whom he is ordinarily in account, he should first apply to the Accountant General, Public Works Department, stating the grounds on which his application is based.

XIII, 1798. **1617.** The following are the heads and sub-heads of classification in the accounts-current exchanged between the Civil and Public Works Departments:—

I.—REMITTANCES TO CIVIL FROM PUBLIC WORKS DEPARTMENT—
Payments into treasuries by officers of the P. W. D.

II.—REMITTANCES FROM CIVIL TO PUBLIC WORKS DEPARTMENT—
Cheques of P. W. D. officers.

III.—ITEMS ADJUSTABLE BY CIVIL DEPARTMENT—
- (a) Inter-departmental charges by P. W. D.
- (b) Revenue in P. W. D. to be credited upon Civil books.
- (c) Expenditure in P. W. D. chargeable upon Civil accounts.
- (d) Exchange or transactions of the P. W. D. with England.
- (e) Receipts on account of Service and other Funds.
- (f) Miscellaneous.

IV.—ITEMS ADJUSTABLE BY PUBLIC WORKS DEPARTMENT—
- (a) Payments into treasuries by Civil officers on account of P. W. D.
- (b) Contributions in aid of Public Works.
- (c) Charges for collection of water-rates.
- (d) Inter-departmental charges to P. W. D.
- (e) Payments for land taken up for P. W. D. purposes.
- (f) Miscellaneous.

1618. The Civil Accountant General is responsible for clearing items falling under heads I and III, and the Examiner for clearing items falling under the heads II and IV. XIII, 1799.

1619. The value of mathematical instruments returned to the Mathematical Instrument Department, Calcutta, will be debited under IV (*d*) when credit appears in the Civil Exchange accounts. XIII, 1800.

1620. By special arrangement previously made between the Examiner and the Civil Accountant General, credits to the Civil Department falling under the subheads IV, (*c*) (*d*) (*e*) (*f*), such as charges for compensation for land, convict labour, and supplies from Jail and Forest Departments, may be raised originally in the Public Works accounts, special care being taken to prevent double entries in the Exchange accounts. XIII, 1801.

1621. The Exchange Account Register (Form No. 86A) is kept in six parts and posted from schedules and vouchers which accompany Divisional accounts-current as follows :— XIII, 1802.

The register of remittances to Civil Department (Part I) will be booked from the consolidated treasury receipts (Form No. 20D), which should be attached as vouchers to the outward monthly Exchange account-current.

The register of remittances from Civil Department (Part II) will be booked from line 4 of memos. of treasury balances contained in Form No. 20A.

The register of items adjustable by Civil Department will be booked as regards credits (Part III) from the schedule of credits to Civil Department (Form No. 32A) and as regards debits (Part IV) from the schedule of debits to Civil Department (Form No. 32J).

The credits and debits by the Public Works Department in the register of items adjustable by Public Works Department (Parts V and VI) will similarly be booked from schedules (Forms Nos. 32 B and 32 K).

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XIII, 1803. **1622.** Schedules A and B of Form No. 86 will then be prepared from the Exchange account register, and the totals of each head and sub-head of classification thus obtained will be entered in the Exchange account (Form No. 86).

XIII, 1804. **1623.** The monthly totals of each of the four heads of classification will also be posted into the Progress Register (Form No. 86B). The outward figures will be entered first, month after month, and the inward figures will be similarly entered below them. Annual totals will be made of all columns separately for the outward and inward accounts and grand totals of the two made with opening and closing balances.

XIII, 1805. **1624.** On receipt of the monthly Exchange account-current from the Civil Department the details relating to heads II and IV, for clearing which the Public Works Department is entirely responsible, will be posted into the Exchange Account Registers (Form No. 86A, Parts II, V and VI), and the totals of each of the four heads will be posted into the Progress Register (Form No. 86B) in the part allotted to inwards accounts. The debits and credits affecting divisional estimates or suspense accounts, originated by the Civil Department, will be communicated by the Examiner to Executive Engineers concerned, and the needful acknowledgments will then be made through the medium of Executive Engineers' accounts. The Examiner should adjust all other items as far as possible without reference to Executive Engineers. Items of receipt or payment in the Civil for the Public Works Department must not be brought upon the Examiner's books until they have appeared in an Exchange account, except as provided for in para. 1620.

XIII, 1806. **1625.** When a charge is paid in one Department and passed on in account-current to be adjusted in another, the paying Department is responsible that it obtains a voucher which is correct in point of form, and sets forth the charge with sufficient detail and clearness,

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and that the calculations in the bill are arithmetically correct. The adjusting Department is responsible for auditing the charge as a sufficient and proper one with reference to the authority which sanctions it, but it is not necessary for it to arithmetically examine the vouchers.

1626. The adjusting Department may not reject an item because its voucher is not in order, or even is altogether wanting: it should be accepted and adjusted, but placed under objection. The chief question for the Examiner is,—Does the entry properly belong to the accounts of this office? and if, on the face of the account, he cannot say that the item is not adjustable in the books of his province, he will accept it and adjust it against the proper service head; though if it be imperfectly vouched or described, or seem rather to belong to another province, he will enter it in the out-going objection statement as prescribed in para. 1628. XIII, 1807.

1627. In the case of debits raised by the Civil Department on account of newspapers and periodicals, the charges should be accepted without question, as the expenditure is fully audited by the Civil Department in accordance with Appendix 7. XIII, 1808.

1628. If the Examiner be unable, for any reason, to accept debit of an item charged against him, or a credit raised in his favour, in an Exchange account, he will enter his reasons for non-acceptance in an objection statement (Form No. 87), which should be despatched within ten days after receipt of the inwards account-current. Items remaining unadjusted for over three months from date of receipt of Exchange account are to be reported, with the reasons for delay, to the Accountant General, Public Works Department, in an objection statement. XIII, 1809.

1629. Whenever the Public Works Department is called upon to make recoveries from officers on account of other Departments, credit must not be afforded in the Exchange accounts until the recovery is actually effected, the Exchange accounts being merely a record XIII, 1810.

of transactions actually appearing on the Examiner's books.

Central Adjusting Account.

XIII, 1611. **1630.** This account is used for the adjustment of transactions between the Public Works Department and the following Departments :—

Army.	Marine.
Military Supply.	Post Office.

XIII, 1612. **1631.** When an item appears in the Public Works Accounts which can only be disposed of by passing it on to an account officer of one of these Departments, it will be debited or credited to "Central Adjusting account, original items." These debits or credits will be entered in two distinct schedules, each in Form No. 79A, the items being numbered consecutively in one series, the credits of each month first and then the debits of that month in continuation. These schedules, together with the schedules of responding items, Form No. 79A[3] (para. 1635) will then be despatched to the Comptroller General, *vide* para. 1642, care being first taken to see that the total credits and debits of both original and responding items in the schedules correspond with the entries in the monthly account-current.

XIII, 1613. **1632.** Separate extracts from the schedules of $\frac{\text{Debits}}{\text{Credits}}$ sent to the Comptroller General, should, at the same time, be prepared in Form 79A[1] and transmitted with the supporting vouchers and other documents direct to the officer who has to respond to the credits and debits.

XIII, 1614. **1633.** The despatching office will enter the number of each item in the third column of the extract of $\frac{\text{Debits}}{\text{Credits}}$ the number assigned being the same as that entered against the item in the schedules rendered to the Comptroller General. A separate series of numbers for each officer should not be observed. Before despatch of the extract a perfect agreement should be

Central Adjusting Account.

effected between it and that portion of the schedule sent to the Comptroller General of which it is an extract.

1634. The responding officer should on receipt of the extracts from the schedules of original items— XIII, 1811.

(1) accept the debit or credit, or, not accepting it, should

(2) enter into a correspondence with the original officer with a view to the settlement of it. In such a case within three months either—

(*a*) the responding officer must accept the item, or

(*b*) the original officer agree to write it back, or

(*c*) both fail to come to an agreement.

1635. In cases (1) and (2) (*a*), the responding officers, and in case (2) (*b*) the original officer, will make the necessary credit or debit to "Central Adjusting Account— responding items" and will, after the close of his accounts for a month, compile separate schedules of them (credits and debits) in Form No. 79 A², for despatch to the Comptroller General with the schedules of original items, Form No. 79 A, *vide* para. 1631. Each item is to be disposed of as a whole and may not be partly accepted or partly rejected. This is necessary to prevent confusion. Thus if, as the result of correspondence, it is agreed that the responding officer shall accept part and the original officer write-back the rest, then the course to be followed is that the responding officer shall adjust the whole of the item and re-debit or re-credit the balance to the original officer, in the same way as if it were an entirely new item. In this case a remark to the effect "agreed to in original officer's No. dated " should be entered in the schedule against the re-debit or re-credit. The greatest care is required in filling up columns 2 and 3 of the responding schedules and no amount should XIII, 1812.

be credited in expectation of a debit being raised, *i.e.*, no credit is to be given in anticipation of an original debit.

XIII, 1817. **1636.** In case (2) (*c*), the responding officer will *send copies of the correspondence to the Comptroller General* through the Accountant General, Public Works Department, who, after consideration of it, will pass an order directing the acceptance of the item by the responding officer or its write-back by the original officer, which acceptance or write-back will be carried out under the last rule.

XIII, 1818. **1637.** On no account should an item remain under objection or be kept outstanding for more than three months from the date of receipt of the extract from the schedule which included it. The Comptroller General will by means of Schedules (Form No. 79 A[2]) see that the items are cleared.

XIII, 1819. **1638.** It must be understood that an order under para. 1636 is to be carried out at once and without remonstrance. At the same time such an order need not be regarded as closing the case; its purport is merely that, pending further correspondence which may be necessary to settle the case, the item is to be removed from the outstandings of the clearing account, and borne upon the account of one of the two officers concerned. An officer who objects to the mode of adjustment adopted can, after having made the adjustment, re-state his case, in order that it may be more fully considered. But it is best that an item should not remain altogether out of the account, pending settlement of a doubt as to where it should be accounted for.

XIII, 1820. **1639.** Every endeavour should be made to complete the adjustment of the "Central Adjusting Account" before the closing of each year's books.

XIII, 1821. **1640.** Items included in the "Central Adjusting Account" to be written back should on no account be adjusted by a deduction entry (in accordance with usual procedure, as laid down in para. 1607, but by

Central Adjusting Account.

debit or re-credit under the head Central Adjusting Account" original items being written back as responding entries and responding items as original entries); and the details of these items should be entered in Forms No. 79 A and 79 A², as the case may be, with such particulars as will allow of the original transaction being readily traced. When it becomes necessary to write-back an item in the Central Adjusting Account, the officer by whom the write-back is to be made should communicate with the other officer concerned, as neglect of this precaution frequently results in amounts being produced twice as either original or responding items thus involving the necessity for further adjustments.

1641. The following procedure should be strictly observed in regard to vouchers:— XIII, 1822.

(1) All vouchers with the extract to which they pertain should be placed in a sealed cover marked outside "Extract of $\frac{\text{Debits}}{\text{Credits}}$ of the Central Adjusting Account of———for the month of————to————."

(2) This envelope will be forwarded by the Examiner of Accounts direct to the responding officer, and all correspondence regarding these vouchers will be carried on directly with the latter officer.

(3) To avoid unnecessary correspondence, the original officer should always note, at foot of the list of vouchers sent to the responding officer, whether any vouchers have been kept back.

(4) All charges by the Public Works Department for which vouchers are not forthcoming, such as departmental labour, workshop charges, and petty disbursements under Rs. 10 each, should be supported by a certificate of the Examiner of Accounts that such charges have been duly audited and passed in accordance with the rules of the Public Works Department. This certificate should accompany the vouchers.

1642. The period allowed for the completion and despatch of the Central Adjusting accounts after the XIII, 18[illegible].

he is fully aware that the Government exercises no supervision over the management of the fund, and is in no way responsible for its solvency, must be received by the Examiner. The fact of such letter having been received and recorded by the Examiner, with particulars of its number and date, should be noted in the salary bill *for the first month in which the deduction is made*, as also in the list sent to the Secretary of the Fund.

XIII, 1632. **1651**. All payments of premia or subscriptions realized by deduction from the pay of members of the Department who are subscribers to the Postal Life Insurance, Endowment Assurance, and Monthly Allowances Fund should be entered in P. W. D. Form No. 85 B. This return will be sent to the Comptroller, Post Office, as soon as possible after the close of the accounts of the month to which the recoveries relate, but not later than the 15th of the second month. Credits for the total amount of such realizations should be given through the Central Adjusting Account, but the certified list of deductions should be prepared and submitted in advance of the Central Adjusting Account.

NOTE.—*Deductions from pay bills in connection with this Fund may be made only under instructions communicated to the insured person's superior officer by the Examiner, who will similarly communicate any commutation by the insured person of his future subscriptions for a lump payment or surrender by him of his policy or contract. A superior officer will, therefore, allow no deductions on account of premia or subscriptions to be made from pay bills except on account of those duly authorized to subscribe.*

XIII, 1633. **1652**. When a subscriber to the Postal Insurance Fund is transferred from one office or division to another the premium or subscription recoverable from him should be recorded in the last-pay certificate in view of the necessary deduction being made from his pay at the new office. If the transfer involves a change of Audit officer, notice of the transfer should be given by the Examiner to the Audit officer of the Department concerned and to the Comptroller of Post Office.

XIII, 1634. **1653**. The Examiner will prepare monthly schedules in Forms Nos. 82A and 82B of sums received and paid on account of the Civil Engineers' Provident Fund, and

which have been adjusted in the divisional accounts by credit and debit respectively to State Railways —Capital. These schedules, which will be prepared from the divisional schedule (Form No. 32X'), should be despatched to the Examiner, State Railway Stores, so as to reach not later than the 15th of the month following that in which the receipts and payments are accounted for.

1654. The detailed rules relating to the Civil Engineers' Provident Fund are contained in Appendix 3. XIII, 1835.

1655. In order to enable the Examiner to exercise a check over the proper admission, the correct realization of receipts, and the payment of withdrawals, he will maintain a register of depositors to the Civil Engineers' Provident Fund in Form No. 82 C. A page should be set apart for each officer and an alphabatical index kept for easy reference. It should be posted month by month from Forms Nos. 82A and 82B, and any alterations due to an officer's transfer or promotion should be at once noted. XIII, 1836.

State Expenditure on Companies' lines.

1656. A monthly account of State expenditure on Companies' lines or State lines worked by Companies will be rendered to the Accountant General; Public Works Department, in Forms Nos. 80A and 80B. XIII, 1837.

1657. This account includes the charges for the Consulting Engineer's and Railway Examiner's establishments, and for any civil establishment employed on the acquisition of land and the cost of land taken up for such railways. XIII, 1838.

1658. In the case of any special payments, such as for making up statistical returns, the amounts paid should be shown under a distinct sub-head in Form No. 80B. XIII, 1839.

Transactions with England.

XIII, 1840. **1659.** The payments made in England by the India Office on behalf of the Public Works Department fall under the following classes :—

I. Final charges in the English accounts, that is to say, items not transferred to the Indian accounts for adjustment.

II. Remittance charges, that is to say, items transferred for adjustment.

Under Class I are included the following charges :—

(a) Payments on account of establishment and services chargeable to the general revenues of India, furlough and privilege leave allowances and advances of pay made by the Secretary of State.

(b) Payments for stores for Imperial Works "charged to Revenue"; and for stores and miscellaneous services for Major Irrigation Works not charged to Revenue.

Under Class II :—

(a) Payments for stores for Provincial and Local works and services, Native States, Municipalities, etc.

(b) Family remittances of officers serving in India, recoverable in India, and furlough allowances not chargeable to general revenues.

XIII, 1841. **1660.** The establishment charges and furlough allowances referred to under sub-head (a) are not included in the Indian books in any form, but a record has to be kept of the adjustment of advances in the following manner :—The whole amount advanced, converted into rupees at the fixed rate of exchange for the adjustment of financial transactions between the British and Indian Governments for the year in which the advance was made, will be noted for recovery. If the amount is recovered in the year in which the advance was made, it will be credited as a reduction of outlay under the departmental head "Establishment," but if realized in a subsequent year, it will be credited as revenue to the fund and the finance head to which the pay of the officer is debitable—*vide* para. 1675.

Transactions with England.

1661. Payments in England for stores for Imperial works charged to Revenue [paragraph 1659, Class I (*b*)], should be brought upon the Indian books at the rate of fifteen rupees to the pound sterling, the value so arrived at being credited to *Expenditure in England* and treated as a reduction of outlay against grant. XIII, 1512.

1662. Payments for stores and miscellaneous services for Major Irrigation Works will be similarly brought on to the Indian books, but at the close of the year the total of the English payments brought to account will be again converted into Indian currency at the actual average rate of the Secretary of State's drawings for the year, and the difference between the rupee equivalent at this rate and at the rate of £1= Rs. 15 will be credited or debited to Civil Department as Exchange and treated as an addition to, or a reduction of, the rupee expenditure in India. XIII, 1513.

1663. The adjustment of remittance charges—*vide* Class II (*a*) and (*b*) of para. 1659—will be effected at the rate of 15 rupees to the pound sterling which will ordinarily be the rate for the adjustment of financial transactions between the British and Indian Governments. XIII, 1413.

In cases where transactions are adjusted at this rate, London Account will be credited at Rs. 15=£1 and there will be no adjustment on account of exchange, but when an adjustment has to be made under special orders at any other rate, the total sterling amount converted into Indian currency at fifteen rupees to the pound sterling will be credited to London Account, and the difference between that sum and the amount recovered will be credited or debited to Civil Department, as the case may be, under the head Exchange.

1664. In the [illegible] on. XIII, 1512.
Branches the credi [illegible] or
"London Account [illegible] re-
ceived from the S[illegible] of

head Exchange by credit to Establishment. This transaction should appear in the Examiner's auxiliary account only. It will not in any way affect the accounts of any division.

1668. It will be thus observed that, except under special orders, no debits should be raised against "London Account" until receipt of intimation that credits have been afforded to that account. XIII, 1852.

1669. Schedules of the credits afforded to the head "Expenditure in England" (Schedule C), and of the debits and credits to "London Account" (Schedules A and B), will be furnished by the Examiner with his monthly account-current (Form No. 79) to the Accountant General. Each item should be stated in full detail. XIII, 1853.

1670. In the event of the amount due for recovery from an officer on account of family remittances paid on his behalf in England being omitted to be made in any one month, the reason for such non-recovery should be briefly, but clearly, stated at the foot of the schedule. XIII, 1854.

1671. The complete recovery of each advance, made in England, will be communicated by the Examiner to the Comptroller General as soon as possible after close of the month in which the final recovery is made. These recoveries must be finally adjusted in the Indian Accounts, and must not be credited to "London Account." In the issue of last-pay certificates to officers transferred from one province to another, without the full advance made in England having been recovered, the sum still due, with the amounts already realized and dates of realization, should be noted on the last-pay certificate. (*Vide* Civil Account Code, Volume II, Chapter 35, Article 765; also Civil Service Regulations, Article 667.) XIII, 1855.

1672. When an officer, to whom an advance has been made on the security of sureties, dies, intimation thereof should be promptly sent to the Comptroller XIII, 1856.

General. (See Civil Account Code, Chapter 35, Article 766.)

1673. Advances should be recovered by monthly instalments of one-third salary, except in the case of Covenanted Engine Drivers and Mechanics, where the recovery should be in such a manner as will ensure their receiving in any one month not less than—

(*i*) Rs. 25, exclusive of overtime or other allowances, or

(*ii*) Rs. 50—see Civil Service Regulations, Article 667 (*b*).

XIII, 1858 and 1859. **1674**. Mechanics and others engaged under covenant either in England or in this country for service in India, as well as those who, after completing their service under covenant, are now serving on terms which are exactly the same as those contained in their contract, or under the ordinary rules applicable to uncovenanted officers whose respective salaries do not exceed Rs. 4,000 *per annum*, are allowed to make monthly family allotments or remittances to England. When a remitter's salary exceeds Rs. 4,000 *per annum*, his remittances through the India Office must cease. Such family allotments or remittances must be *bonâ fide* for the support of families.

XIII, 1860 and 1861. **1675**. The amount of family allotment or remittance is limited to one-half the monthly pay of the remitter, provided that it does not exceed £12 *per mensem*. The amount of family allotment should be stated in British currency only. Family allotments are due and paid in England in the same way as salary, the commencement of a family allotment should therefore be clearly stated in the Roll, thus—first payment to be made in September for August.

XIII, 1862 and 1863. **1676**. As a rule, all family allotments or remittances should be made at the annual rate of exchange fixed for the adjustment of financial transactions between the Imperial and Indian Governments. Recoveries in India on account of family allotments or

remittances should be made by deductions from pay-bills.

1677. The fact of the commencement of the recovery of family allotments should be intimated to the India Office on Public Works Department Form No. 151, and any subsequent alteration of amount through Public Works Department Form No. 152. Whenever through death or any other cause the recovery in India on account of the family allotment paid in England is discontinued, the earliest advice of the discontinuance must be sent through the Examiner of Accounts of the Province in which the individual is serving, for communication to the India Office through the prescribed channel on Public Works Department Form No. 153. In the case of the remitter proceeding to England, either on furlough or on expiration of agreement, the last recovery effected in India should be noted on his last-pay certificate. XIII, 1864.

1678. When a family remittance is continued on re-engagement the fact should be intimated by the Local Government to the Accountant General, Public Works Department, for communication to the Comptroller General.

Additional charges on English Stores.

1679. In order to cover losses of stores on their way to India as well as the payments now made in England on account of partial insurance, etc., a charge of one *per cent.* will be made on stores supplied for Provincial and Local Funds and one-half *per cent.* for Irrigation works, the capital outlay on which is not charged against Revenue. The amount recoverable on this account should be adjusted by debit to "Stores" and credit to "Civil Department, Miscellaneous," and should be charged on the value of the stores *plus* the entire sea freight (*i.e.*, freight paid in India as well as in England); the amounts paid in England and treated as final charges being converted for the purposes of the XIII, 1865.

assessment of the additional charges, at the rate of Rs. 15 to the £ sterling; and those treated as remittance charges being converted at the rate of exchange fixed for the adjustment of transactions between the Home and Indian treasuries, which will ordinarily be sixteen pence to the rupee.

XIII, 1866. **1680**. Upon all stores imported from England for Provincial and Local Funds, and on all stores originally imported for Imperial Services, but which are subsequently issued to such funds and to other than State undertakings (including sales to Native States and others), an additional charge of two *per cent.* will be made for departmental supervision in England. The amount so charged will be adjusted by credit to Civil Department, "Miscellaneous."

Miscellaneous.

XIII, 1867. **1681**. Recoveries in India on account of damages or short deliveries of stores shipped from England, will be made at the rate of exchange fixed for the adjustment of financial transactions between the Imperial and Indian Governments.

XIII, 1868. **1682**. The cost of all stores supplied to Native States must be prepaid in cash. The rupee deposits received from the Native States on account of stores specially imported for them should be converted into sterling at the average rate of exchange for the month in which the money is paid into the Government Treasury, and the cost in sterling of the stores supplied by the India Office (including sea freight payable in England) together with the following extra charges, calculated on invoiced cost *plus* entire sea freight., *viz.*—

(*a*) one *per cent.* for Marine Insurance, cost of stores lost, general average, etc.;

(*b*) two *per cent.* for departmental charges in England.

should be adjusted month by month against the sterling deposit.

Transactions with England.

1683. The difference between the sterling deposit so arrived at, converted into rupees at the rate of Rs. 15=£1, and the actual rupee deposit should be credited to Civil Department under the sub-head "Exchange" as laid down in para. 1663; and the extra charges converted into rupees at a like rate, should be adjusted by credit to Civil Department—"Miscellaneous."

NOTE.—The one *per cent.* for insurance is intended to cover losses during the voyage to India and not risks of loss between the ship's side and the shore.

1684. Stores imported for other services, but subsequently issued to Native States will, in addition to the book value of the stores, be charged 10 *per cent.* for supervision and storage as prescribed in para. 1222. XIII, 1869.

1685. The transfer or sale of English stores necessarily causes a reduction in suspense balances, and therefore renders a corresponding additional amount available for expenditure in India. XIII, 1870.

1686. In order to ensure agreement between the payments made by the Secretary of State and the credits afforded in the Public Works accounts, registers should be kept in the Examiner's office in the following forms:— XIII, 1871.

Register of credits to Expenditure in England—Stores. Form No. 78 A.

Register of credits to London Account—Stores. Form No. 78 B.

Register of credits to Expenditure in England—Miscellaneous. Form No. 78 C.

Register of credits and debits to London Account—Miscellaneous. Form No. 78 D.

1687. A register of recoveries for family payments and advances will be kept by the Examiner in Form No. 78 E., which as regards recoveries in India, will be posted from divisional schedules (Form No. 32 F. i.), and as regards amounts charged in England from XIII, 1872 and 1873.

intimations received from the Accountant General, Public Works Department.

XIII, 1874 and 1875. **1688**. Against the name of each employé should be noted the date of the contract or agreement under which such recoveries are made, and also the date on which the last recovery under such agreement is to be made. This is necessary in order that timely notice may be given to the authorities concerned of the expiry of such recoveries so as to prevent overpayment by the Secretary of State in England.

Supplementary Accounts.

XIII, 1870. **1689**. The Examiner's books for March will be closed like those of any other month, in time to permit of the despatch of his Account of Receipts and Charges to the Accountant General, Public Works Department, on the 20th May. This is called his Preliminary account-current for March, and Exchange and Central Adjusting accounts exhibiting the remittance figures appearing in it are to be duly issued.

XIII, 1877. **1690**. In order that transactions between different Departments and different branches and officers of the Public Works Department, as well as between Suspense and Final Heads in the Examiner's own books, may be completely adjusted, as far as possible, in the accounts of the year to which they pertain, the accounts of the financial year are kept open till a later date (at present the 15th July), and advantage must be taken of the additional time thus afforded to completely reconcile the entries of transfer transactions. The entries made in affecting such adjustments are to be recorded in books, precisely as the entries for March or any previous month of the year have been recorded; an account-current is to be prepared from the books; and Exchange and Central Adjusting accounts are to be issued. These books and accounts are styled Supplementary March.

Supplementary Accounts.

1691. As soon as possible after the issue of his Preliminary March account to the Accountant General, Public Works Department, on the 20th May, the Examiner will despatch his Preliminary Exchange accounts for March to the Civil Accountants General with whom he is in account, as well as the accounts rendered monthly to the Comptroller General, and lists of unadjusted transfers debited and credited to Public Works Examiners and the Examiner of Telegraph Accounts. He will, about the same time, receive corresponding accounts from the officers concerned. He should at once proceed to take measures for the adjustment of all outstanding items, entering, where necessary, into correspondence with the other Account officers. XIII, 1878.

1692. The Examiner will accept such of the entries passed on by other Account officers to him as he can and in regard to the remainder will inform the orginating officer either that he does not propose to accept them, or that he requires additional information before coming to a decision. The Examiner is responsible for coming to a decision as to the acceptance or rejection of each such entry, by such date as will enable him to advise the originating officer in time, for the latter to make any necessary entries in his Supplementary March's accounts. XIII, 1879.

1693. In regard to each item passed on to another Account officer by him and not responded to, he should write to the officer concerned and obtain a statement of the action the latter proposes to take. Unless this results in an agreement by the latter to fully adjust the item in his Supplementary accounts for March, the Examiner must write it back in his own Supplementary accounts by debit or credit to the appropriate suspense head in his books, informing the other officer that he has done so. XIII, 1880.

1694. These instructions provide for there being no transfers outstanding from the past year on the 15th XIII, 1881.

July; the books will be finally closed on that date and the accounts despatched.

XIII, 1882. **1695**. Debits from the Forest Department for March will have to be responded to in the Supplementary accounts, as they will rarely be advised by the Civil Department in time for entry in the Preliminary Accounts (Civil Account Code, Chapter 56, Article 1131).

XIII, 1883. **1696**. Should there be, in the opinion of the Examiner, any transaction originating in his accounts which should be adjusted in the accounts about to close, but the adjustment of which has been delayed until after his Preliminary accounts for March have been closed, he must (except in the case of transfers with the Civil Department, which may be included without previous reference) obtain *the consent of the other Account* officer concerned to the proposed adjustment; without this no further entry is admissible; if it is obtained, the proposed entry may be made in his books for March Supplementary, or, if they are closed, it should be reported to the Accountant General, if possible, before the 10th September.

XIII, 1884. **1697**. In the case of another officer requiring an Examiner to adjust an item of this kind, the Examiner should, if the item belong to the accounts of his office, adjust it in his Supplementary accounts, or if they are closed, forward the papers to the Accountant General, Public Works Department, and inform the officer concerned that he has done so. All such items will, up to the 10th September, or later if his books are still open, be accepted by the Accountant General provisionally, and any adjustment to be made by the Examiner will be advised to him for settlement in the accounts of the following year, by credit or debit to transfers, Public Works Department, Buildings and Roads Branch. Monthly *lists of transfers debited and credited* (Forms Nos. 60 A and 60 B) for the month in which such adjustments have been made, should be furnished to the

Accountant General, Public Works Department, by whom no responding lists will be furnished, as the aforesaid advice communicated to the Examiner will meet all practical requirements.

1698. Any correcting or additional entries which cannot be sent in by the dates quoted must be considered too late for the accounts of that year. They can be admitted by the Accountant General only under special orders from the Comptroller General, and these will not be applied for unless the case is considered important. XIII, 1885.

1699. Ordinarily there should be only one set of Supplementary books and accounts for March Supplementary, but when circumstances arise necessitating the compilation of two or more Supplementaries, each set will be dealt with as the accounts of a separate month and should be headed 2nd Supplementary, and so on. XIII, 1886.

1700. If, on the 15th July, the Account of Receipts and Charges for March Supplementary is not ready for despatch to the Accountant General, Public Works Department, Examiners should report the probable date of its submission, and of the despatch of the Exchange and Central Adjusting accounts. If the account of Receipts and Charges is despatched punctually, it will be sufficient for the report to mention the date, or probable date, of despatch of the Exchange and Central Adjusting accounts. XIII, 1887.

Annual Closing of Books.

1701. The books must in every case be closed by the 15th July; any expenditure not accounted for by that date being held at debit of the Miscellaneous Advance Account of the disbursers and brought into the accounts and against the grant of the succeeding year, but every effort should be made to prevent the occurrence of such a case. XIII, 1888.

1702. The totals of the year in the divisional sub-registers (Form No. 74) should be posted into an XIII, 1889.

annual summary for the province (Form No. 97), the totals of which should agree with the totals of the year in the register for the province. In the case of the several suspense accounts and of the account "Government" the opening and closing balances will also, that is, in addition to the totals of the year, be posted into this annual summary, the totals of which should agree with the balances brought out by the register for the province (Form No. 73).

XIII, 1890. **1703**. To close the register for the province the first process, after the total amounts of the year have been aggregated and recorded, is to ascertain the balance of the closing account "Government" which should be worked out on the last page of the register.

XIII, 1891. **1704**. To arrive at the closing balance, the total debits (receipts) and credits (charges) of the year to the accounts which close under "Government," and which are enumerated on the last page of the register under "Closing balances," must be brought over and entered under the columns and against the accounts concerned. The expenditure to be entered against fund heads will be the total charges on final heads and will be obtained from the registers of expenditure against Budget Grants (Form No. 72). The figures thus entered should agree with the total receipts and charges in Part IV of the annual summary for the province (Form No. 97). The difference between the total debits and credits for the year *plus* the opening balance, debtor or creditor, under the account "Government," will constitute the balance under Government at end of the year.

XIII, 1892. **1705**. This balance is the sum of the closing balances of all suspense accounts *plus* the amount of cash in hand at the end of the year, and is worked out in detail below the account of "Closing balances."

XIII, 1893. **1706**. Every endeavour should be made to bring to account all the transactions of a year in the accounts of the year to which they pertain, but if any transac-

tions should be advised for adjustment after the books of the year have been finally closed, they should be reported to the Accountant General, Public Works Department, for orders.

Annual Finance Accounts of the Buildings and Roads and Irrigation Branches.

1707. Each Examiner of Accounts of the Buildings and Roads and Irrigation Branches will prepare annually one set of Finance accounts for each province (Form No. 99), but if he audits the accounts of any Railway or Railway Survey, he will prepare a second set for the Railway receipts and charges (Form No. C. O. 34). For the converse case of a Railway Examiner reference should be made to State Railway Code, Volume I. XIII, 1894. XIII, 1895.

1708. Each account will consist of an abstract and schedules; and it will be accompanied by an explanatory report. XIII, 1896.

1709. The forms in which the accounts are to be prepared show the classification to be observed and indicate the extent of detail required. If further detail be found desirable, it can be given in additional schedules prepared in the manner of schedules A (*a*), A (*b*) of the account for the Buildings and Roads and Irrigation Branches. XIII, 1897.

1710. *Abstract Account.*—The general account will exhibit the total revenue and expenditure classified by Funds and Finance heads; and, in the case of the Irrigation Branch, by Canals or Surveys. XIII, 1898.

1711. Each entry in the Abstract account will be supported by details in schedules; and certain entries in these primary schedules will be further detailed in secondary schedules. XIII, 1899.

1712. *Schedules of Revenue.*—These exhibit the details necessary and follow the classification laid down. XIII 1900.

The accounts of Irrigation revenue will show the revenue of each Major and Minor work separately.

XIII, 1901. **1713**. *Schedules of Expenditure.*—These also indicate the details required and the classification at present in force.

XIII, 1902. **1714**. *Suspense Accounts.*—This schedule will exhibit the balances on the Examiner's books at the end of the year to which the Finance accounts relate, and the increase or decrease during the year. As noted on the form, the Examiner will be required to certify upon it that he has audited the balances in accordance with the orders contained in para. 1474; and that he has noted in his report on the Finance accounts all irregularities remaining unremedied when the accounts of the year were finally closed.

XIII, 1903. **1715**. *The Report.*—The report upon the accounts will embrace a comparison with the actuals of the previous year, and the revised and budget estimates of the year, under the Fund and Finance heads appearing in the Abstract account. The causes of all important divergences from estimates and actuals will be briefly but clearly, explained. It will also contain the following particulars :—

(*a*) *Objectionable Outlay.*—The items of expenditure remaining unremedied at the close of the year should be abstracted by branches of the Department under Fund and Finance heads and classes of irregularity. Any important irregularities should be specially commented upon, and the action taken towards remedying the irregularities generally should be reported.

(*b*) *Suspense Balances.*—In dealing with suspense balances, the report should notice all outstanding irregularities discovered in the audit referred to in para. 1474, and explain the causes of important

fluctuations during the year. Where the particulars relating to irregular items cannot be conveniently embodied in the report, they may be given in separate schedules attached thereto.

(c) The balances under the suspense heads referred to in subsequent paragraphs should be classified under the heads noted against each, without entering into any detail as to the items comprising each total, except where it may be necessary to refer to details in explanation of irregularities.

(d) *Stock (or stores).*—In the case of the Buildings and Roads and Irrigation Branches, the total balance under special and reserve stock should be shown separately; and, in all branches where there are large balances of obsolete or surplus stores, the fact should be noticed and the action taken as regards their disposal noted. It should be distinctly stated whether stock was taken within the year, and what were the results of stock-taking.

(e) *Materials at site.*—The total value of materials at site of works should be brought out. It should be stated whether the materials have been reported by Executive Engineers as having been verified within the year; and, if there are any discrepancies between the values as verified and the balances in the works' accounts, the measures taken to adjust the differences should be mentioned.

(f) *Miscellaneous Advances.*—The balances should be classified as follows:—

1. Advances to members of the Department.
2. Advances to work-people.

3. Advances to contractors.
4. Miscellaneous.

(*g*) *Balances in Works' Accounts.*—Advances to contractors charged to works, including payments in excess of work done, and balances due to contractors appearing in the works' accounts, should be separately reported in totals of each of these two classes; and any irregularity connected with them mentioned.

(*h*) *Deposits.*—The balances should be brought out under the following heads:—

1. Security deposits of members of the Department.
2. Security deposits of contractors and other persons not in the Department.
3. Contributions for work to be done.
4. Sums due to contractors on closed accounts—*vide* para. 1340.
5. Miscellaneous.

(*i*) *Savings Banks Deposits.*—The balances of deposits in Savings Banks at the end of year should also be shown under a distinct head.

(*k*) *Government Securities.*—The amount of Government paper on the Examiner's register at the end of the year should be noted in the report, and it should be stated whether, and at the end of what period, the correctness of the account of these securities has been proved by the Comptroller General's acknowledgment, or that of the head-quarters' treasury on one side, and that by the acknowledgments of Executive Engineers on the other.

(l) *Floating Cheques.*—Any abnormal increase in the amount of cheques unpaid at the end of the year should be drawn attention to in the report.

1716. Sixteen printed copies of the Finance Accounts are required. If printed copies cannot be despatched to reach the Accountant General by the prescribed date, 15th August, the first copy should be sent in manuscript. XIII, 1904.

Administrative Accounts of the Irrigation Branch.

1717. Simultaneous with the preparation of the Annual Finance Accounts, the Administrative Accounts of the Irrigation Branch should be compiled in Form No. 99, Irrigation, for works which are constructed with the prospect of yielding a return, *i.e.*, those works for which Capital and Revenue accounts are kept. XIII, 1905.

1718. The Administrative Accounts consist of— XIII, 1906.

1. General abstract of financial results, prepared separately for each class of works as follows :—
   (a) Protective Public Works.
   (b) Productive Public Works.
   (c) Irrigation and Navigation Works not classed as productive.
2. Capital account for each canal and project.
3. Revenue account for each canal or project yielding revenue.
4. Interest account for each canal or project classed as a Productive Public Work.
5. Account of indirect charges for each canal or project.
6. Statement comparing charges to date with sanctioned estimate for each canal or project.

Administrative Accounts of the Irrigation Branch.

XIII, 1907. **1719.** The Capital account is to be a record of the expenditure directly incurred against the sanctioned estimates for the construction of the work, and of nothing more. The record of the outlay must be in detail by sections corresponding with the detail in the abstract of sanctioned estimate.

XIII, 1908. **1720.** A Revenue account should be opened for each project as soon as a section is completed and yields revenue. The Revenue account is a record of all revenue derived from the undertaking, whether realized in the Public Works Department or elsewhere; and it is to be charged with the maintenance and working of the project, including all outlay on minor extensions and improvements which have not been distinctly sanctioned against the Capital account.

XIII, 1909. **1721.** The interest account will be a simple debit and credit account, showing on one side the charges for interest, and on the other the net revenue or balance of the Revenue account of each project, or canal classed as a Productive or Protective Public Work. No interest will be calculated on Protective Works for which Capital and Revenue Accounts are not kept, or on Minor Works and Navigation.

XIII, 1910. **1722.** Interest is charged in the Administrative accounts on the entire *direct* Capital outlay, including amounts separately recorded as *exchange*, from the commencement of operations, irrespective of the source from which the outlay has been met, or the head under which it has been recorded. Interest should be calculated at the rate of 4 *per cent.* per annum on the outlay up to the 31st March 1900; on outlay subsequent to that date interest will be charged at $3\frac{3}{4}$ *per cent.* per annum and will be calculated on the outlay to the end of the previous year, *plus* half the outlay of the year itself.

XIII, 1911. **1723.** Interest will not be charged on the expenditure on a survey for a projected work before construction commences; but for the year in which construction is begun, interest will be charged at the rate of $3\frac{3}{4}$ *per*

cent. per annum on the total survey expenditure to the end of the previous year, and on half the expenditure (whether survey or construction) during that year, and thereafter in the manner laid down in the preceding paragraph.

1724. The account of indirect charges will be a record of the items marginally noted. It is divided into two portions—one for indirect charges appertaining to the Capital account, and the other for those chargeable to Revenue. These indirect charges must, in the case of the Capital account, be estimated for and regularly sanctioned. XIII, 1912.

1. Capitalisation of abatement of land revenue.

2. Leave and pension allowances.

1725. In the statement comparing the total direct and indirect charges on each project with the amount of the sanctioned estimate, the authority by whom the estimate was sanctioned should invariably be quoted and a reference should be given in all cases to the action taken in respect to excesses over estimate, etc. XIII, 1913.

1726. Indirect charges are to be calculated as follows :— XIII, 1914.

> *Capitalized abatement of land revenue*—Should be calculated at twenty-five times the annual amount of land revenue remitted.
>
> *Leave and pension allowances*—At the rate of 14 *per cent.* on the gross charges for establishment.

1727. This percentage is for all practical purposes equivalent to charges calculated as follows :— XIII, 1915.

> For all officers other than inferior servants, $10\frac{2}{3}$ *per cent.* on their salaries, provided that in the case of an uncovenanted officer, the charge does not exceed Rs. $166\frac{2}{3}$ a month.
>
> For inferior servants, one anna per rupee of salary.

XIII, 1916. **1728.** The indirect charges for leave and pension allowances will, for the purposes of *estimates*, be similarly calculated.

XIII, 1917. **1729.** Sixteen printed copies of the Administrative Accounts are required. If printed copies cannot be despatched so as to reach the Accountant General, Public Works Department, by the prescribed date, 15th August, the first copy should be sent in manuscript.

XIII, 1918. **1730.** A copy of the Finance and Administrative Accounts, with as many spare copies as may be required and any additional details which may be called for, will be submitted to the Local Government or Administration.

Other Annual Returns.

XIII, 1919. **1731.** The final account-current of the province for each branch of the Department separately (Form No. 96 A) should be despatched so as to reach the office of the Accountant General, Public Works Department, by the 15th August. This account shows the opening and closing balances of the year under each suspense head and necessarily the revenue under each head and the expenditure against Budget Grants by final heads, expenditure in England and exchange being shown on the "Dr." side. Divisional transfers will not appear on either side of this account, as the transactions under this head will have to be adjusted within the year and the debits and credits must therefore necessarily accord.

XIII, 1920. **1732.** This account should be accompanied by the summary of transfer transactions (Form No. 96B), showing the total debits and credits to transfers of the Public Works Department by each Province or Railway.

XIII, 1921. **1733.** A statement (Form No. 54 A) showing under major heads, the differences between the actuals and the sanctioned grants of Provincial and Incorporated Local Funds expenditure for the past year, should be submitted by the Examiner to the Local Government or Administration after the accounts of the year have been

finally closed, with a view to obtaining sanction to any excess expenditure still requiring sanction. At the same time a copy of the statement should be submitted to the Accountant General, Public Works Department; the orders of the Local Government, on the excess expenditure, being communicated immediately on receipt.

1734. The Revised Estimate accepted by the Government of India should not be quoted as authority for expenditure in excess of grants passed in Budget Orders. For all expenditure not provided for in the Budget Estimate of the year, the orders of the Government of India or the Local Government or Administration sanctioning additional grants should be quoted. XIII, 1922.

1735. Any excess remaining unsanctioned at the close of the year should be dealt with as prescribed in the foregoing paragraph.

1736. As soon as the accounts of each official year have been closed, the Examiner will furnish the Accountant General, Public Works Department, with a statement showing the recoveries made in the Public Works Department on account of income-tax. This statement should give the number of assessees and the amount realized in each of the classes of income given in Form No. 21C and should be separate for the Railway Branch if such exist. XIII, 1923.

1737. The Examiner will furnish the Accountant General, Public Works Department, annually, by the 10th July, with a statement of approximate receipts and charges of the previous official year. This statement should be accompanied by— XIII, 1924.

(*a*) A note explaining the differences between the probable receipts and charges of the previous year and the figures of the revised estimate.

(*b*) A note explaining serious differences between the figures as known on the 10th July and those telegraphed to the Accountant

General, Public Works Department, on the 21st April.

(c) A note explaining any probable modifications in the Budget Estimates of revenue and expenditure for the year then current.

XIII, 1925. **1738.** In connection with the transactions with England, the Examiner will furnish the Accountant General, Public Works Department, with such of the following returns as concerns his office:—

Estimate of London account transactions of current official year, exchange, if any, being shown separately, by 1st November.

Estimate of London account transactions of current and ensuing official years, exchange, if any, being shown, separately, by 1st February (and 1st March if there be any alteration).

XIII, 1926. **1739.** The Capital and Revenue account of Government buildings occupied, or available for occupation, as residences (Public Works Department, Form No. 99 A), together with a brief report by the Examiner summarising the financial results and noticing inadequate assessment, excessive maintenance charges, etc., should be submitted in duplicate to the Local Government or Administration, as early as practicable, after the accounts of the year have been finally closed. A copy of the account and report, together with a brief review by the Local Government of the financial results of the year, should be submitted so as to reach the Government of India by the 1st January of the following year. Separate returns should be maintained for the Buildings and Roads and Irrigation Branches, and for Military and Civil Works (Imperial, Provincial and Local): the account for Military Works being submitted to the Military Supply Department, and the others to

Other Annual Returns.

the Public Works Department, of the Government of India.

1740. As soon as possible after the close of the year the following annual statements should be prepared and forwarded to the authorities concerned :— XIII, 1927.

Form No.	Information to be furnished.	To whom submitted.
91	Expenditure incurred by officers of the Public Works Department on Stud buildings.	Head of the Government Stud in the Province.
93 A	Expenditure incurred by officers of the Public Works Department on Postal works and repairs.	Director General of the Post Office of India.
93 B	Expenditure incurred by officers of the Public Works Department on Telegraph works and repairs.	Examiner of Telegraph Accounts.

1741. When Postal or Telegraph buildings are authorised to be sold, the amount of the sale-proceeds of such buildings should, for the purposes of the administrative accounts of the Departments concerned, be shown as reduction of Capital outlay in the annual statements of expenditure prescribed in para. 1740. XIII, 1928.

1742. After examination of the divisional stock registers (paras. 1277 to 1279) to 30th September in each year, the Examiner will furnish the Accountant General, Public Works Department, with a report of all cases in which the excess of the stock rates over the market rates is serious. The report should fully explain the causes of the high rates and the years in which such causes occurred. XIII, 1929.

1743. An annual account-current between the Civil and Public Works Department (Form No. 88 A) XIII, 1930.

will be prepared in duplicate from the Progress Register (Form No. 86 B), one copy of which should be despatched to the Accountant General, Public Works Department, punctually on the 10th September of each year. If this cannot be done, a special report explaining the reason for its non-submission should be promptly sent forward. The other copy will be forwarded to the Civil Accountant General of the province concerned. This annual account-current will be accompanied, when necessary, by an explanatory statement (Form No. 88 B) of the unadjusted items at the close of the year, under the heads II—Remittances from Civil to Public Works Department, and IV—Items adjustable by Public Works Department.

XIII, 1931. **1744.** A statement (Form No. 94) showing the expenditure during the year will be submitted by the Examiner to the Local Government or Administration for embodiment in the Administration Report of the province. The figures for this statement will be found in the Finance Accounts for the year.

XIII, 1932. **1745.** A statement (Form No. 98) showing the Provincial and Incorporated Local Funds receipts and expenditure should be sent annually to the Local Accountant General as soon as the books are finally closed.

XIII, 1933. **1746.** As soon as the annual Finance and Administrative Accounts are ready, a statement (Form No. 103) showing the income from, and expenditure on, Productive works during the year should be prepared by the Examiner and submitted to the Local Government or Administration. This statement includes all irrigation and navigation works, whether classed as productive or not, and will be published as an accompaniment to the annual Administration Report of the province.

XIII, 1934. **1747.** In those provinces where the Irrigation Works have been *provincialized, i. e., where the Local* Government has accepted the financial responsibility, a statement (Form No. 104) showing the amount of

interest payable by the Local Government on the capital expenditure during the year on Irrigation Works not charged against Revenue will be prepared by the Examiner and forwarded to the Civil Accountant General, a copy being submitted to the Accountant General, Public Works Department, and to the Local Government for information.

1748. Interest will be calculated at 4 *per cent.* on the direct capital outlay to end of 31st March 1900, and at $3\frac{3}{4}$ *per cent.* on the direct capital outlay subsequent to that date and to end of previous year. *plus* half the outlay of the year. In making this calculation all expenditure met from Provincial revenues, from local debenture loans raised by the Local Government, or from contributions, should be excluded. XIII, 1935.

1749. The financial results of Irrigation Works for which Capital and Revenue accounts are kept will be reported yearly to the Secretary of State for India in Form No. 105, which should be prepared by the Examiner and submitted through the Local Government or Administration, so as to reach the Government of India by the 15th September. XIII, 1936.

1750. In these statements the transaction of projects of the three following classes should be shown separate and distinct from each other :— XIII, 1937.

1. Protective Public Works.
2. Productive Public Works.
3. Irrigation and Navigation Works not classed as productive.

Payments and Adjustments.

1751. The Examiner is required to make all payments to establishments at his head-quarters, which are not attached to divisions, and to make payments for miscellaneous purposes. He is also entrusted with the acceptance of transfers from outside the province, and XIII, 193[illegible]

the adjustment, generally, of every item which does not affect the outlay on any work in progress in a division, including all transfers between funds.

XIII, 1939. **1752.** The part of the Examiner's Office concerned with payments should be kept quite separate from the rest of the office.

XIII, 1940. **1753.** Funds to meet such expenditure will be obtained by the inclusion of the amount required in the abstract for the province of applications for letters of credit (Form No. 52B).

XIII, 1941. **1754.** The accounts to be prepared and the books to be kept will be similar to those prescribed for Executive Engineers in Chapter XII.

The principal books required will be—

Cash-book.

Adjustment book.

Cash abstract book.

XIII, 1942. **1755.** From these the monthly account-current (Form No. 27) and schedules will be prepared and will be audited in the Account-audit Section in the same manner as is prescribed for Divisional accounts.

Inspections.

XIII, 1943. **1756.** The Examiner or his Deputy should inspect every Divisional office once a year and also at least one of the Sub-divisional offices in each Division inspected; but the Head Accountant may be deputed to visit the less important offices, with the approval of the Local Government.

XIII, 1944. **1757.** He will also inspect —

(1) The Accounts of Land Acquisition officers who are Public Works disbursers.

(2) The imprest accounts and service books of the office of the Chief Engineer at head-quarters.

Inspections.

(3) The imprest accounts and service books of each Superintending Engineer when he is visiting his circle.

1758. A brief report of these inspections, noting any irregularities or defects that may be observed, is to be submitted to the Local Government and a half-yearly report of all inspections made to the Accountant General in Public Works Department Form No. 100. It will rest with the Local Government to issue the orders necessary to enforce the rectification of whatever the Examiner may bring to notice as wrong or irregular. A copy of such orders should be furnished to the Examiner. XIII, 1945.

1759. The inspection notes should be drawn up in Form No. 145, from which the brief report above mentioned will be prepared. XIII, 1946.

1760. To obviate possible inconvenience, the Examiner should give the Accountant General, Public Works Department, timely intimation of any projected tours of inspection that may be likely to take him far from his head-quarters. XIII, 1947.

1761. The Examiner should take the opportunity afforded by these inspections, not only to check and bring to notice irregularities which may have occurred, but to aid the Executive Engineer by his advice and experience in the management of the Divisional accounts, so that, while they may be prepared in a clear and methodical form, they may at the same time be kept free from useless returns or redundancy of any kind. XIII, 1948.

1762. *One of the most important points to be looked into in the course of the inspection is the treatment* of the initial accounts rendered to Executive Engineers. When cases are brought into the Civil or Criminal Courts, these initial accounts are the documents which the judicial officers generally require as evidence, and therefore the mode in which these XIII, 1949.

documents are treated and filed in divisional offices should invariably form one of the points for investigation in the course of inspection. The Inspecting officer should see that they are free from corrections and erasures, in order to serve as evidence when required for that purpose.

XIII, 1950. **1763.** During his *inspections* of Executive Engineers' Offices the Examiner should carefully scrutinize the registers of works to ascertain whether the work slips (P. W. D. Form No. 33) have been forwarded to the Superintending Engineer or Engineer-in-Chief in all cases of excess, or probable excess, over estimates.

XIII, 1951. **1764.** In the test-audit of an Executive Engineer's Office the Examiner should be assisted by one or two Accountants or accounts clerks. A complete set of accounts for one month with all original vouchers should be taken from the Examiner's Office. These should be compared with the office copies filed in the Executive Engineer's Office and with the entries in the cash-book and works accounts.

XIII, 1952. **1765.** All unvouched outlay should be checked by an audit of the vouchers which have been retained in the Divisional or Sub-divisional Offices.

XIII, 1953. **1766.** The day-books and contract certificates of one month with the connected records of measurements and accounts of materials at site should be audited, and the entries traced into the initial accounts from which made.

XIII, 1954. **1767.** The charges for travelling allowances of subordinates for whom journals may not have been submitted with travelling allowance bills, should be audited in detail for one month, and compared with the amounts entered in the travelling allowance bill and acquittance rolls submitted to audit, which should be brought by the Inspecting officer for that purpose. At the Inspecting officer's discretion the check may be

extended to cover such further period as may be found desirable.

1768. A test-audit should also be made of the monthly receipts and issues of road metal. XIII, 1955.

1769. Besides the inspection of divisional offices the Examiner should also arrange for a periodical audit of the cash-books kept in the offices of Chief and Superintending Engineers and of other officers to whom advances are made for the purpose of meeting contingent expenditure. In carrying out this audit the entries in the cash-book should be compared with the charges made in the contingent bills and with the vouchers, and it should be seen that all vouchers not submitted with the contingent bills are duly cancelled. Erasures in vouchers should be strictly prohibited, and all corrections in those documents should be attested by a gazetted officer as well as by the person in actual charge of the imprest. XIII, 1956.

1770. The Half-yearly Reports of Inspections (Form No. 100) should be submitted to the Accountant General for the periods ending 31st March and 30th September on 1st June and 1st December, respectively. In the Half-yearly Report of Inspections for the period ending 31st March a memorandum should be appended *showing the offices that have not been inspected during the year.* XIII, 1957.

1771. In these reports the chief points to be noticed are— XIII, 1958.

- Defects in the system found out during the course of inspection;
- Violations of rule which are not promptly stopped by the local authority;
- The general efficiency and propriety of the Accountants and account work of the several offices.

Inspections.

XIII, 1959. **1772.** Only those books and accounts need be mentioned on which comment has to be made, no reference is needed to others which are in due order. It should invariably be stated what monthly accounts have been test-audited.

Chapter XIV.—Budget Rules.

General Rules.

1773. For purposes of general administration, estimates are framed annually by the Government of India, XIV, 1960.
on figures supplied by Local Governments and Adminis-
...ts and expenditure of the
... under the various heads
... and Expenditure, *vide*
Appendix P, Volume II of the Civil Account Code and the annual Financial Statements of the Government of India. The expenditure entered in these estimates is divided into two classes, *viz.*:—

Charged against Revenue;

and

Not charged against Revenue.

Expenditure falling under the first category is met out of the revenue of the year. Expenditure of the second description is provided by means of borrowing in one shape or another, the interest due upon it only being met out of Revenue and classified against Revenue. The annual estimates are twice re-considered in the course of the year—*vide* paras. 1859 and 1863.

1774. The Revenue and Expenditure of the Public XIV, 1981.
Works Department are entered in the general estimates of the Government of India under the following heads of classification:—

REVENUE.	EXPENDITURE.
XXIX.—Major Works—	(a) *Charged to Revenue*—
Direct Receipts.	33. Famine Relief.
Portion of Land Revenue due to Irrigation.	35. Construction of Protective Irrigation Works.

General Rules.

XXX.—Minor Works and Navigation.	42. Major Works—
XXXI.—Military Works.	Working expenses.
XXXII.—Civil Works.	*Interest on debt.
	43. Minor Works and Navigation.
	44. Military Works.
	45. Civil Works
	(b) *Not charged to Revenue.*
	49. Irrigation Works.

XIV, 1962. **1775.** The Revenue and Expenditure are further classified in the estimates according to funds; *viz.*, under Imperial, Provincial and Local Incorporated :—

Imperial.—The head Imperial embraces all transactions relating to revenue and expenditure directly administered by the Government of India.

Provincial—The head Provincial takes account of such portions of the general revenues and expenditure of the province or of railways within it, as have been entrusted to the control of Local Goveroments and Administrations in the terms of Finance and Commerce Department Resolution No. 3531-A, dated 11th August 1897—*vide* Volume I, Civil Account Code, Article 283.

Local.—When revenue derived from special sources is devoted to special objects and not to the general purposes of the administration, whether Imperial or Provincial, the revenue so derived forms a Local Fund. The revenue and expenditure of these funds are, with the exceptions noted below, incorporated in the general accounts of Government, and the funds are called Local Incorporated. The exceptions are Municipal, Cantonment, Port and such like funds. These are called Excluded Local Funds, and the transactions relating to them (which in the Public Works accounts are passed on to the Civil Department) appear in the public accounts as receipts and payments of "Deposits" only.

XIV, 1962A. **1776.** The Secretary of State having sanctioned a new scheme for the apportionment of famine expenditure between Imperial and Provincial Revenues, the

*Estimates for these heads are prepared by the Government of India.

following procedure will be followed in the Public Works Department :—

(i) When famine occurs in a province the expenditure on relief (debitable under "33.—Famine Relief") will be wholly Imperial up to the limit of the balance standing to the credit of the Local Government in the *pro formâ* account maintained by the Comptroller General for each province, showing on its credit side the amounts charged each year to provincial under "Reduction or Avoidance of Debt," and on the debit side the charges incurred for famine relief as in this clause ; a copy of this account will be communicated annually to the Local Government concerned as soon as possible after the accounts of the year are closed.

(ii) If the expenditure on relief exceeds this latter amount, the excess will be charged to Imperial and Provincial in equal shares, the head "33.—Famine Relief" becoming a divided head to that extent.

NOTE.—The Examiner of Public Works Accounts will be informed by the Civil Accountant General of the fact of the exhaustion of the balance so that all subsequent expenditure under Famine Relief may be so charged.

(iii) In the case of widespread and prolonged famine, if in any province the Provincial share of expenditure thus limited should be so great as to reduce the Provincial balance below one-half of the prescribed minimum, the treatment of further expenditure will be a subject for special arrangement at the time.

(iv) In order to meet the case of a famine occurring at an early stage before the province has accumulated a substantial credit balance in its *pro formâ* account, expenditure on famine relief incurred during the first five years after the new scheme has been introduced will be treated as wholly Imperial up to a limit equal to five years' assumed credits in the account.

1777. The figures recorded under the Public Works heading in the published Financial statements of the Government of India include revenue and expenditure of officers of the Department, of Civil officers acting as Public Works disbursers, and certain Public Works receipts and charges of Civil officers collected or incurred by them without any reference to the Public Works Department. XIV, 1833.

General Rules.

XIV, 1964. **1778.** Under this last category fall ferry and road receipts, charges collected and paid on account of Local funds, owners' rates, and receipts and charges of Civil cemeteries. In these cases the transactions are recorded in the Civil accounts of the Province under a separate descriptive head subordinate to "Public Works," *viz.*, "Public Works in charge of Civil officers."

XIV, 1965. **1779.** Items of expenditure on petty construction and repairs in charge of Civil officers, not exceeding Rs. 2,500 each, are to be adjusted as contingent expenditure of the Civil Department concerned. Items of expenditure of more than that amount incurred by Civil officers must be adjusted under the head "Public Works in charge of Public Works officers," and be audited by the Public Works Department.

This rule, however, does not apply to the Forest and Salt Departments, to which Departments the rules in Public Works Department Code, paras. 855 and 856, are applicable.

XIV, 1966. **1780.** The estimates of the local Public Works authorities of each Province should embrace transactions of the first two classes only mentioned in para. 1777; the third class will be entered in the Civil estimates of *the Provincial authorities and they will be advised by* the local Accountants General to the Accountant General, Public Works Department, by whom they will be communicated to the Finance Department.

XIV, 1967. **1781.** Charges for construction and repair of travellers' rest-houses or staging-bungalows will be provided in the Public Works estimates, Provincial or Local, as the case may be; but all charges for maintenance and receipts will be entered in the Civil estimates and accounts. The functions of the Public Works Department in this respect will be confined to the buildings and fixtures.

XIV, 1968. **1782.** The accounts will follow the estimates. The Public Works Department local Accounts officers will

take no cognizance of Public Works receipts and charges by Civil officers such as are enumerated in para. 1778.

1783. Estimates have to be prepared by Local Governments, etc., for the Imperial, Provincial and Local Incorporated transactions of the Public Works Department under each of the beads of classification enumerated in para 1774, except those marked with an asterisk, the connected Revenue and Expenditure heads of each province or railway being considered together. The figures of Revenue and Expenditure must be shown in the clearest possible manner under the heads of classification and under the funds concerned. XIV, 1969.

1784. The following are the estimates annually dealt with in addition to the documents on which local authorities state their requirements. XIV, 1970.

BUILDINGS AND ROADS BRANCH.

Name of Estimate.	Form Number.	Period for which prepared	Date due in Government of India Secretariat.	Reference to paras. of this Chapter.
		IMPERIAL		
Schedule of demands—				
(a) Military Works				
Special Works	I A F.W 1775	Ensuing year .	1st August .	Appendix 12
Ordinary demands .	"		15th November .	
(b) Civil Works .	124	Ditto .	10th December .	1792.
Budget Estimate—				
(a) Military Works (Abstract).	125A	Ditto .	15th January .	1866.
(b) Civil Works (Abstract).	125A	Ditto .	Ditto .	1866.
(c) Military Works (Preliminary issue)	126	Ditto .	15th February .	Appendix 12 and 1913.

General Rules.

BUILDINGS AND ROADS BRANCH—*contd.*

Name of Estimate.	Form Number.	Period for which prepared.	Date due in Government of India Secretariat	Reference to paras. of this Chapter.
(*d*) Civil Works (Preliminary issue).	126	Ensuing year .	15th February .	1813
Six-months' Estimate—				
(*a*) Military Works	128	Current year .	25th October .	1859
(vil Works .				
Revised Estimate—				
(*a*) Military Works (Abstract).	125A	Current year .	15th January .	1866
(*b*) Civil Works (Abstract).	125A	Ditto .	Ditto .	1866
(*c*) Military Works (Preliminary issue).	126	Ditto .	15th February .	1866
(*d*) Civil Works (Preliminary issue).	126	Ditto .	Ditto .	1866
		PROVINCIAL.		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1806
Budget Estimate (Preliminary issue).	126	Ditto .	15th February .	1813
Six-months' Estimate.	128	Current year .	25th October .	1859
Revised Estimate (Abstract).	125A	Ditto .	15th January .	1866
Revised Estimate (Preliminary issue)	126	Ditto .	15th February .	
		INCORPORATED LOCAL.		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1806

General Rules.

BUILDINGS AND ROADS BRANCH—*concld.*

Name of Estimate.	Form Number.	Period for which prepared.	Date due in Government of India Secretariat.	Reference to paras. of this Chapter.
Budget Estimate (Preliminary issue)	126	Ensuing year .	15th February .	1813
Six-months' Estimate	128	Current year .	25th October .	1859
Revised Estimate (Abstract).	125A	Ditto .	15th January .	1866
Revised Estimate (Preliminary issue)	126	Ditto .	15th February .	

IRRIGATION BRANCH.

Name of Estimate.	Form Number.	Period for which prepared.	Date due in Government of India Secretariat.	Reference to paras of this Chapter.
		IMPERIAL.		
Schedule of demands	125	Ensuing year .	10th December .	1792
Budget Estimate (Abstract).	125A	Ditto .	15th January .	1863
Budget Estimate (Preliminary issue).	127	Ditto .	15th February .	1846
Six-months' Estimate	129	Current year .	25th October .	1859
Revised Estimate (Abstract).	125A	Ditto .	15th January .	1866
Revised Estimate (Preliminary issue)	127	Ditto .	15th February .	
		PROVINCIAL.		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1863
Budget Estimate (Preliminary issue).	127	Ditto .	15th February .	1846
Six-months' Estimate	129	Current year .	25th October .	1859
Revised Estimate (Abstract).	125A	Ditto .	15th January .	1866
Revised Estimate (Preliminary issue)	127	Ditto .	15th February .	

General Rules.

BUILDINGS AND ROADS BRANCH—*contd.*

Name of Estimate.	Form Number.	Period for which prepared.	Date due in Government of India Secretariat	Reference to paras. of this Chapter.
(*d*) Civil Works (Preliminary issue).	126	Ensuing year .	15th February .	1813
Six-months' Estimate—				
(*a*) Military Works }	128	Current year .	25th October .	1859
(vil Works . }				
Revised Estimate—				
(*a*) Military Works (Abstract).	125A	Current year .	15th January .	1866
(*b*) Civil Works (Abstract).	125A	Ditto .	Ditto .	1866
(*c*) Military Works (Preliminary issue).	126	Ditto .	15th February .	1866
(*d*) Civil Works (Preliminary issue).	126	Ditto .	Ditto .	1866
		PROVINCIAL		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1866
Budget Estimate (Preliminary issue).	126	Ditto .	15th February .	1813
Six-months' Estimate.	128	Current year .	25th October .	1859
Revised Estimate (Abstract).	125A	Ditto .	15th January . }	1866
Revised Estimate (Preliminary issue)	126	Ditto .	15th February . }	
		INCORPORATED LOCAL.		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1866

General Rules.

BUILDINGS AND ROADS BRANCH—concld.

Name of Estimate.	Form Number.	Period for which prepared.	Date due in Government of India Secretariat.	Reference to paras. of this Chapter.
Budget Estimate (Preliminary issue)	126	Ensuing year .	15th February .	1813
Six-months' Estimate	128	Current year .	25th October .	1859
Revised Estimate (Abstract).	125A	Ditto .	15th January .	1866
Revised Estimate (Preliminary issue).	126	Ditto .	15th February .	

IRRIGATION BRANCH.

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Revised Estimate (Preliminary issue)	127	Ditto .	15th February .	
		PROVINCIAL.		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1866
Budget Estimate (Preliminary issue).	127	Ditto .	15th February .	1846
Six-months' Estimate	129	Current year .	25th October .	1859
Revised Estimate (Abstract).	125A	Ditto .	15th January .	1866
Revised Estimate (Preliminary issue)	127	Ditto .	15th February .	

General Rules.

BUILDINGS AND ROADS BRANCH—*contd.*

Name of Estimate.	Form Number.	Period for which prepared	Date due in Government of India Secretariat.	Reference to paras. of this Chapter.
(*d*) Civil Works (Preliminary issue).	126	Ensuing year .	15th February .	1813
Six-months' Estimate—				
(*a*) Military Works	128	Current year .	25th October .	1859
(vil Works .				
Revised Estimate—				
(*a*) Military Works (Abstract).	125A	Current year .	15th January .	1866
(*b*) Civil Works (Abstract).	125A	Ditto .	Ditto .	1866
(*c*) Military Works (Preliminary issue).	126	Ditto .	15th February .	1866
(*d*) Civil Works (Preliminary issue).	126	Ditto .	Ditto .	1866
		PROVINCIAL.		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1866
Budget Estimate (Preliminary issue).	126	Ditto .	15th February .	1813
Six-months' Estimate.	128	Current year .	25th October .	1859
Revised Estimate (Abstract).	125A	Ditto .	15th January .	1866
Revised Estimate (Preliminary issue)	126	Ditto .	15th February .	1866
		INCORPORATED LOCAL.		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1866

1785. The copies of the Budget estimate which are due on or before the 15th February are called Preliminary issues. After the Government of India pass orders on these, they have to be altered to correspond exactly with the Budget orders, and Final issues are prepared which are due in the Government of India Secretariat on the 1st May. XIV, 1971.

1786. The Revised estimate for the current year is considered along with the Budget estimate of the ensuing year, and the figures are entered in the same compilation. XIV, 1972.

1787. The Revenue is realized under distinct rules, and alterations which are anticipated in the amount of the collections of the year, are duly taken account of in framing the next estimates due; but the main body of these Budget rules relates to the control over expenditure. XIV, 1973.

1788. The Imperial grants for expenditure to be incurred in the Public Works Department are made by the Government of India; and grants for similar objects from Provincial and Local Incorporated Funds are allotted by Local Governments and Administrations. The amounts likely to be available are usually settled upon schedules of demands and are advised in sufficient time to allow of the Public Works authorities framing their preliminary budget estimates some considerable time before the commencement of the year of intended expenditure. The sums necessary for the maintenance and working of railways and major irrigation works are fixed in the Public Works Department of the Government of India upon a consideration of the actual requirements as put forward by the local authorities. XIV, 1974.

1789. The various grants, made under the heads of classification enumerated in para. 1774, to provinces and railway administrations, must be kept within the sums provided in the general estimates of the Empire, and the outlay on works and services in the provinces or on the railways must be kept within the grants made for XIV, 1975.

General Rules.

IRRIGATION BRANCH—*contd.*

Name of Estimate.	Form Number.	Period for which prepared	Date due in Government of India Secretariat	Reference to paras. of this Chapter.
		INCORPORATED LOCAL		
Budget Estimate (Abstract).	125A	Ensuing year .	15th January .	1856
Budget Estimate (Preliminary issue)	127	Ditto .	15th February .	1846
Six-months' Estimate	129	Current year .	25th October .	1859
Revised Estimate (Abstract)	125A	Ditto .	15th January .	1860
Revised Estimate (Preliminary issue).	127	Ditto .	15th February .	1860

BUILDINGS AND ROADS AND IRRIGATION.

Name of Estimate	Form Number.	Period for which prepared	Date due in Government of India Secretariat.	Reference to paras of this Chapter.
	IMPERIAL PROVINCIAL, AND INCORPORATED LOCAL			
Revised Estimate—				
Recoveries on account of Income Tax.	...	Current year .	15th January .	1863
Payments on account of Exchange Compensation Allowance distributed over Major Heads and Funds.	...	Ditto .	Ditto .	1863
Budget Estimate— Recoveries on account of Income Tax.	...	Ensuing year .	Ditto .	1857
Payments on account of Exchange Compensation Allowance distributed over Major Heads and Funds.	...	Ditto .	Ditto .	1859

Schedules of Demands.

1793. The schedules should show distinctly the sum required for works already sanctioned and likely to be in progress at the commencement of the next year, and the sum required for new works applied for by the Heads of the several Imperial Departments. The particulars regarding the former will be available from the information in the hands of Local Governments, while, as regards the latter, the Heads of the Departments concerned will forward to each Local Government or Administration by the 10th November of each year a statement of the new works that will be required by them during the ensuing year. On receipt of this statement, the necessary steps should be taken by the Local Government or Administration to have the estimate for the work put in hand, so as to admit of its being sanctioned in time for inclusion in the detailed budget estimate. For opium works, the Local Governments and Administrations concerned should take the necessary steps to ascertain the demands for such works from the opium authorities. XIV, 1979.

1794. For minor works and repairs, no schedules are necessary; but in case the demand is in excess of the grant for the current year a brief explanation of the cause of the excess should be furnished. XIV, 1980.

1795. The provision for establishment and tools and plant should be regulated in accordance with the rules laid down in para. 1885. XIV, 1981.

1796. In regard to the provision of funds for public works connected with the Postal and Telegraph Departments, and the Mints at Calcutta and Bombay, the following rules will be observed :— XIV, 1982.

I.—The Director General of the Department concerned and the Mint Masters, Calcutta and Bombay, will submit to the Government of India in the Administrative Department concerned a schedule of the probable requirements of their Departments for public works during the ensuing official year. This schedule will be passed on, with suitable comments, to the Public Works Department by the Administrative Depart-

Schedules of Demands.

ment concerned, so as to reach on or before the 10th December; and when the Public Works grant is distributed, the Local Governments and Administrations concerned will be required to make the needful provision in their estimates for such of the works entered in the schedule as have been approved of by competent authority. The sum so provided should *not be appropriated during the course of the year to* other than Telegraph, Post Office, and Mint works unless with the concurrence of the Head of Department concerned and approval of the Government of India in the Public Works Department. An extract from this schedule relating to each province should be sent by the Head of the Department concerned to the Local Government and Administration concerned, *by the 10th November, in view to admit of the* amounts applied for on account of major works being included in the schedule of the province, as well as to admit of the necessary orders being issued for the preparation of the estimates for the required works.

NOTE.—The schedule of demands submitted by the Directors General of the Postal and Telegraph Departments under this paragraph, should include *new works only*, the amount required for works in progress being determined by the *Government of India on receipt of the schedules from the various* Local Governments who are in the best position to furnish this information.

II.—The schedule prescribed in the preceding rule will include only original works, and *will show the sum* required for expenditure on each major work, a lump sum being provided for minor works. The amount to be provided in the Budget estimate for repairs will be left to the discretion of Local Governments and Administrations, with whom it will be optional to place a portion of the grant for Repairs—Civil *Buildings—at the disposal of the Heads of the Departments concerned, in the manner prescribed in para.* 533 of the Code. The lump sum grants for minor works of the Postal and Telegraph Departments are placed at the disposal of the Director General by the Government of India. The Heads of these Departments distribute the allotments during the course of the year.

III.—Re-appropriations can be proposed by these Heads of Departments in the course of the year to the Government or Administration concerned, under the rules applicable to such transfers as prescribed in this

Budget Estimates.

chapter. But re-appropriations involving transfers from the grant of one province to that of another will require the sanction of the Government of India in the Public Works Department, which should be applied for direct by the Head of the Department concerned.

NOTE.—The Heads of the Postal and Telegraph Departments, may supplement the grant for any major work, to the extent of *Rs 2,500 or less, from any balance* which may be available in the grants placed at their disposal for minor works, in communication with the Local Governments or Administrations concerned, and without the sanction of the Government of India.

1797. The Government of India will issue orders on these schedules so as to reach Local Governments and Administrations before the 15th January. Upon receipt of such orders the detailed budget estimates for the ensuing year will be prepared and submitted so as to reach the Government of India on or before the 15th February. XIV, 1983.

1798. *Provincial and Local.*—In the case of Provincial and Local demands the works to be carried out are selected after a similar procedure by the Local Governments and Administrations, and the amounts for which the budget estimates may be prepared are declared by them. XIV, 1984.

1799. *Military Works.*—The procedure to be adopted for ascertaining the Military requirements of the ensuing year is described in Appendix 12. XIV, 1985.

Budget Estimates.

1800. The following table shows the budget estimates due from the different authorities. XIV, 2007.

Heads of Classification.	Funds	Branch of the Department.	Authorities who prepare and submit estimates.
Civil Works, Revenue and Expenditure.	Imperial Provincial Local.	Buildings and Roads.	Local Governments and Administrations and the Director-General of Military Works.
Military Works, Revenue and Expenditure.	Imperial .	Ditto .	

Budget Estimates.

Heads of Classification.	Funds.	Branch of the Department.	Authorities who prepare and submit estimates.
Major Works, Irrigation, Revenue and Expenditure.	Imperial, Provincial, Local.	Irrigation .	Local Governments and Administrations and the Director General of Military Works.
Minor Works and Navigation, Revenue and Expenditure.	Ditto .	Ditto .	
Recoveries on account of Income Tax.	Imperial, Provincial and Incorporated Local	Buildings and Roads and Irrigation.	
Payments on account of Exchange Compensation Allowance distributed over Major Heads and Funds.			

XIV, 2008. **1801.** It is to be clearly understood that, with the exceptions noted below, the budget estimates as submitted to the Government of India are to exhibit the entire estimated expenditure on Public Works from the funds concerned under each Government or Administration, whether under the immediate control of the Public Works Department, or of other branches of the Administration. These exceptions are:—

(1) Items of petty construction and repair charged in the Civil accounts.

(2) Ferry and road receipts collected by Civil officers.

(3) Receipts and charges of Civil cemeteries collected and paid by the Civil officers.

(4) Receipts and charges of Local Funds collected and paid by Civil officers.

The estimates for these classes of transactions are dealt with as explained in paras. 1777 to 1780.

XIV, 2009. **1802.** The budget estimate will include all charges for land required for public works debitable to the Public Works grant; the fund from which the charge for land is to be provided being the same as that to which the grant for the work for which the land is required is debitable.

Budget Estimates.

1803. Grants-in-aid of works constructed by private agency, which, if carried out at the expense of the State, would be public works, and also grants-in-aid of Excluded Local Funds with the object of assisting in the construction of works of a similar character, will be included in the Public Works budget estimate, of the fund (Imperial, Provincial or Local Incorporated) from which the grants-in-aid may be given. XIV, 2010.

1804. Every grant by the Local Government for public works must be made either wholly from Provincial funds, or wholly from some specified Local fund. XIV, 2011.

1805. A grant-in-aid may not be made in the Public Works Department from one fund for a work primarily appertaining to another fund. Such action is prohibited. All the expenditure on a work must be exhibited in the accounts of the funds to which it belongs; and all the necessary funds provided in the estimates thereof. But if the Imperial Government desire to aid a Provincial work, this may be done by a reduction of the Imperial grant for works of the same class and an addition to the available resources of the Local Government or Administration under the provincial settlement. Similarly a Local Government or Administration may discharge its liability for a share of an Imperial work by an adjustment of the reverse character. These adjustments are made by the Government of India outside the Public Works estimates and accounts. They appear in the Public Works estimates as reductions or increases of grants. XIV, 2012.

1806. The principle enunciated in the foregoing paragraph is not applicable to contributions made by railways for such schemes as water-works, etc., where in consideration of the wants of the railway, in excess of the requirements of the authority for whom the water-works are being constructed, being especially arranged for, a proportion of the cost of the scheme is borne by the railway. In such cases the contribution made by the railway must necessarily be charged to the Capital account of the line. XIV, 2012.

Budget Estimates.

XIV, 2014. **1807.** The amounts entered in Budget estimates of expenditure have to be distributed between (*a*) expenditure in India and (*b*) expenditure in England. In the case of Imperial funds the grant for expenditure in India alone is at the disposal of the Local Government or Administration; the provision for expenditure in England is reserved and hypothecated to meet the outlay which the Secretary of State may be asked to incur. *The amounts so hypothecated are aggregated,* and form the budget allotment for expenditure in England, and the control over this allotment is exercised by *the Government of India—vide para. 1876 (g).*

XIV, 2015. **1808.** In the case of Provincial funds, although each Local Government and Administration has to provide specially in its Budget estimate for outlay in England, such sums are not reserved and hypothecated as in the case of Imperial Funds. The necessary control over the provision for outlay is exercised locally, and Examiner of Accounts to whom monthly reports of the corresponding outlay in England are furnished by the Accountant General, Public Works Department, is responsible that appropriations exist to meet this expenditure.

XIV, 2016. **1809.** In the preparation of budget, six months' and revised estimates, the services of the Examiner of Accounts should be utilized to the utmost extent, especially with reference to the state of the actual revenue and outlay and the prospects for the remainder of the year. He should show the effect of transfers, suspense balances, English stores, assets, liabilities, and the like. The Examiner will carefully record the facts and amounts used in the calculations on which the estimates are based, and the information which he has supplied to the authorities responsible for the submission of the estimates. And, immediately after the close of the accounts of a year, his assistance should be availed of to investigate the differences between the actual outlay and the revised estimate, and the effect of fresh differences on the validity or efficiency of the grants for the

year which now becomes current. Thus, assuming the following as the figures of the revised estimate and the actual outlay of a year:—

	Revised estimate.	Actual outlay.
	Rs	Rs.
Final charges	5,00,000	4,00,000
Increase in suspense balances .	80,000	1,20,000
TOTAL	5,80,000	5,20,000
Of which, value of English stores received during the year .	1,50,000	1,00,000
Charge of the year against budget	4,30,000	4,20,000

The Examiner could explain—

(1)—The actual cash outlay is Rs. 10,000 less than the revised estimate, and is a lapse.

(2)—Rupees 50,000 worth of stores expected from England has not arrived, but will be effective for the current year.

(3)—So will Rs. 40,000 of suspense balances not charged off to final heads last year.

(4)—So that Rs. 90,000 of the shortcomings in the final charges of last year can, without interfering with the grant of current year, be compensated by being finally charged in that year.

1810. The budget estimate is not the place for submitting for consideration any changes in the establishment; care should therefore be taken that all necessary increases or decreases of establishment are fully considered and disposed of prior to the time of preparing the estimate. XIV, 201

1811. In cases, however, where the sanction to a proposed increase in the establishment has not been obtained, the establishment which has not been sanctioned should be separately detailed, and the cause of XIV, 201

XIV, 2014. **1807.** The amounts entered in Budget estimates of expenditure have to be distributed between (*a*) expenditure in India and (*b*) expenditure in England. In the case of Imperial funds the grant for expenditure in India alone is at the disposal of the Local Government or Administration; the provision for expenditure in England is reserved and hypothecated to meet the outlay which the Secretary of State may be asked to incur. The amounts so hypothecated are aggregated, and form the budget allotment for expenditure in England, and the control over this allotment is exercised by the Government of India—*vide* para. 1876 (*g*).

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XIV, 2016. **1809.** In the preparation of budget, six months' and revised estimates, the services of the Examiner of Accounts should be utilized to the utmost extent, especially with reference to the state of the actual revenue and outlay and the prospects for the remainder of the year. He should show the effect of transfers, suspense balances, English stores, assets, liabilities, and the like. The Examiner will carefully record the facts and amounts used in the calculations on which the estimates are based, and the information which he has supplied to the authorities responsible for the submission of the estimates. And, immediately after the close of the accounts of a year, his assistance should be availed of to investigate the differences between the actual outlay and the revised estimate, and the effect of fresh differences on the validity or efficiency of the grants for the

year which now becomes current. Thus, assuming the following as the figures of the revised estimate and the actual outlay of a year:—

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(3)—So will Rs. 40,000 of suspense balances not charged off to final heads last year.

(4)—Sc [illegible] the final [illegible] with the [illegible] ing finally charged in that year.

1810. The budget estimate is not the place for submitting for consideration any changes in the establishment; care should therefore be taken that all necessary increases or decreases of establishment are fully considered and disposed of prior to the time of preparing the estimate. XIV, 2011.

1811. In cases, however, where the sanction to a proposed increase in the establishment has not been obtained, the establishment which has not been sanctioned should be separately detailed, and the cause of XIV, 2011.

the reference not being sent forward for orders earlier should be fully explained.

XIV, 2019. **1812.** Information regarding the classification of receipts and expenditure will be found in Appendix 22.

XIV, 2020. **1813.** *Forms of Budget estimate.*—The budget estimate for Civil Works, Imperial, Provincial or Local, will be prepared in Form No. 126, which consists of the following:—

Abstract estimate of revenue.

Ditto. of expenditure.

Ditto ditto showing the division between "India" and "England."

Detailed estimate of expenditure in England.

Detailed estimate of expenditure—

Part I.—Detail of estimate for original works.

" II.— Ditto for repairs.

" IIA.—Classified abstract of the estimate for repairs.

" III.—Detail of estimate for establishment.

" IIIA.—Abstract of charges for establishment and distribution between funds and major finance heads.

" IV.—Detail of estimate for tools and plant.

" V.*—Detail of estimate for new supplies and repairs of barrack furniture.

" VA.*—Detail of estimate for barrack department establishment.

" VI.—Detail of estimate of increase or decrease in suspense balances.

Appendix A.—Distribution of grants by Departments.

" B.—List of class C works omitted from the budget estimate, but on which expenditure may be incurred during the year by re-appropriation from class B works.

" C.—Statement showing the percentage which the charges for establishment bear to the expenditure on works and repairs.

* For use in Military Works budget estimates of those provinces where outlay of this nature is incurred.

The budget estimate for Military works is prepared in a similar form.

1814. Parts II, IIA and IV are not required by the Government of India. Part VI and Appendix B are not required by the Government of India with Provincial and Local Fund budget estimates, but should be submitted with Imperial budget estimates. XIV, 2021.

1815. The estimate of expenditure will be prepared, in the case of Imperial funds, for the amount of the grants assigned by the Government of India; while in the case of Provincial services the total of those estimates should correspond with the grants adopted for the purpose by the Financial Department of the Local Government, and agree with the provision made for the purpose in the general Provincial Services budget estimate of the Province. XIV, 2022.

1816. In all these estimates the amounts of the revenue and grants for the ensuing year are contrasted with the originally sanctioned amounts and the revised estimate for the year current, and the actuals of the year previous. XIV, 2023.

1817. No returns should be required from Executive or Superintending Engineers for the purposes of the compilation of the revised estimates. They should be compiled in the Secretariat of the Local Government or Administration, on the best information available in that office and in that of the Examiner of Public Works or Railway Accounts, as the case may be; or obtainable by special reference to executive or other departmental officers. XIV, 2024.

1818. *Original Works.*—Part I of the budget estimate is the detail of the provision for Original works, including new constructions and such works of renewal or re-construction as come under this definition by paragraph 615. In this part of the budget estimate will be exhibited the proposed expenditure on all such XIV, 2025.

works sanctioned by competent authority, whether uncommenced or in progress (unless their estimated cost does not exceed Rs. 2,500).

XIV, 2026. **1819.** In addition to these sums, this part may contain a separate lump sum under each of the service heads to provide for minor works, *viz.*, those of which the cost is estimated not to exceed Rs. 2,500 each. The aggregate of the sums so provided in Imperial budget estimates is not, unless specially permitted by the Government of India, to exceed the average outlay of the five previous years on such works; but where the provision, as passed in the budget estimate, falls short of this limit, it will rest with Local Governments and Administrations to increase the provision up to this limit, when found necessary, under the rules for re-appropriation that may be in force.

XIV, 2027. **1820.** The column of remarks against each item in Part I of the budget estimate must contain a brief, but clear, reference to the authority and date of sanction, or of submission for sanction, of the estimate for the work to which the entry relates; and it must also show what portions of the proposed expenditure, if any, will be defrayed from other than Government funds.

1821. In the amounts entered in the columns showing the estimated expenditure for the year must be included the cost of any stores which have been indented for on England, and which, it is expected, will be paid for during the year. The cost of the stores will be noted in the column of remarks. It is to be understood that the cost of all stores indented for on England must be included in the estimates of the works for which they are indented.

XIV, 2029. **1822.** The entries in Part I of the budget estimate are to be made according to the classification laid down in Appendix 22, and in cases where several works go to make up a project, the entries of the works are to be so arranged as to bring out distinctly the name of the

project of which they form a part, its total estimated cost, and the actual and probable expenditure on it.

1823. The difficulty in arranging the entries in the XIV, 2030. budget estimate by projects would lie in cases where there is no general estimate for a scheme. In such cases it would mislead if the sanctions up to date were quoted in the column of estimate: so that it will be necessary to enter in that column the total probable cost of the work, —a memorandum being added to the budget estimate to show how the amount is arrived at when it differs from the sum reported in the previous budget estimate.

1824. [illegible] XIV, 2031. requires that [illegible] expenditure [illegible] so as to admit of the accounts of outlay being classified properly. It has therefore been provided that in every estimate for a work, the project of which the work forms part, should be mentioned, and care should be taken to see that this is done.

1825. [illegible] XIV, 2032. only to cases [illegible] one project. There will still be many works which cannot be identified with any project, or which may be said to form a project each of itself. The entries in a budget estimate for all such items would be made as if each work formed a distinct project. The local authorities are the best judges of such circumstances; no rule can be laid down regarding them.

1826. The actual outlay on each work to the end of XIV, 2033. the previous year is required to be shown distinctly from the probable outlay of the year current, as it is necessary that actual amount should be kept distinct from those only in the stage of estimate, as well as to admit of its being known what the probable expenditure of the year is likely to amount to.

1827. Works should be arranged in the order of XIV, 2034. new works, and works in progress, distinctly.

works sanctioned by competent authority, whether uncommenced or in progress (unless their estimated cost does not exceed Rs. 2,500).

XIV, 2026. **1819.** In addition to these sums, this part may contain a separate lump sum under each of the service heads to provide for minor works, *viz.*, those of which the cost is estimated not to exceed Rs. 2,500 each. The aggregate of the sums so provided in Imperial budget estimates is not, unless specially permitted by the Government of India, to exceed the average outlay of the five previous years on such works; but where the provision, as passed in the budget estimate, falls short of this limit, it will rest with Local Governments and Administrations to increase the provision up to this limit, when found necessary, under the rules for re-appropriation that may be in force.

XIV, 2027. **1820.** The column of remarks against each item in Part I of the budget estimate must contain a brief, but clear, reference to the authority and date of sanction, or of submission for sanction, of the estimate for the work to which the entry relates; and it must also show what portions of the proposed expenditure, if any, will be defrayed from other than Government funds.

1821. In the amounts entered in the columns showing the estimated expenditure for the year must be included the cost of any stores which have been indented for on England, and which, it is expected, will be paid for during the year. The cost of the stores will be noted in the column of remarks. It is to be understood that the cost of all stores indented for on England must be included in the estimates of the works for which they are indented.

XIV, 2029. **1822.** The entries in Part I of the budget estimate are to be made according to the classification laid down in Appendix 22, and in cases where several works go to make up a project, the entries of the works are to be so arranged as to bring out distinctly the name of the

Budget Estimates.

XIV, 2035. **1828.** The works on which Imperial expenditure is to be incurred during the year will be divided into three classes—

Class A will consist of those works which it is important to carry on under any circumstances, and with an assignment of funds not less than the sums set down for them respectively. *No reduction of those assignments should be made without the express sanction of the Government of India.*

lass B will consist of works of less importance, but considered, when the budget estimate is framed, to be the most proper to undertake, and which are accordingly entered with the grants assigned to each.

Class C will consist of works which, at the time of preparing the budget, it is not thought desirable, after comparing their claims with those of other works, to undertake, but which it is thought might be undertaken in case of any circumstance arising to render it undesirable or inconvenient to go on with any of the works in class B.

No specified sum will be assigned to any of the class C works in the budget estimate, but in the case of both class B and class C works it will be allowable for the Local Government, or Administration, to assign grants for them by re-appropriation under the conditions laid down in paras. 1875 and 1876 (*a*).

XIV, 2036. **1829.** Besides the works ultimately selected for execution during the year, there will be appended a list of works (class C), which it is proposed to carry out on funds being available.

XIV, 2037. **1830.** As a rule, no work will be included in the list of those selected for execution during the year which has not received administrative approval, *vide* paragraph 648, and of which the design and estimate

have not been sanctioned, or at least drawn up and submitted for sanction.

1831. *Repairs.*—Part II of the budget estimate shows the proposed expenditure on repairs to each class of buildings at each station, for each service or Department, and for each line of road. This estimate should, in the case of buildings, show, in somewhat the same order as the estimates are required to be prepared, the nature of the contemplated expenditure to each set of buildings, for each Department, under— XIV, 2038.

(1)—Special repairs,

(2)—Periodical repairs,

(3)—Quadrennial repairs,

(4)—Minor and occasional repairs,

but the exhibition of the estimate according to the above classes is left optional with Local Governments and Administrations.

1832. In the case of military works, the provision for minor and occasional repairs should be divided so as to show the grant for each station, for each arm of the service, distinctly. The provision for each set of buildings for minor and occasional repairs would be at the disposal of officers competent to sanction petty expenditure. XIV, 2039.

1833. The provision for repairs to roads should be made so as to show the funds required under each of the following heads of expenditure :— XIV, 2040.

Collection of metal.

Consolidation of metal.

Ordinary maintenance including petty repairs to berms, slopes, and culverts.

Repairs to bridges and drains.

Repairs to buildings.

Tending plantations.

Budget Estimates.

XIV, 2041. **1834.** In sanctioning estimates for repairs, the sanction should be against the specific item of the budget provision. If that provision is insufficient, the Superintending Engineer should make a re-appropriation from the total grant for his circle. Unless any particular repairs have been specially ordered by the Government of India to be carried out and provided for, the total of the grant for repairs under each service head may be distributed as so many grants among the several Superintending Engineers, who will be at full liberty to appropriate from those grants to such repairs as they may think fit to sanction.

XIV, 2042. **1835.** The expenditure on repairs cannot, as in the case of Original works, be accurately estimated beforehand; but in the case of current repairs a fair approximation to the outlay actually required can always be given; and for special repairs a sum may be set apart, based on the probable sum that is known to be required for the purpose on the average of former years.

XIV, 2043. **1836.** In this part of the budget estimate, under a distinct sub-head "Maintenance," under Communications, will be included any anticipated charges for the maintenance of bridges of boats, ferries, and the like, which, with the sanction of the Government of India, are to be defrayed from Imperial funds. It will, however, rarely happen that any such entries will appear in the Imperial budget estimate, such charges being, with special exceptions, borne by local funds.

XIV, 2044. **1837.** *Establishment.*—Part III of the budget estimate will exhibit the estimated cost of establishments divided into Direction (including the Chief Engineer [illegible]

and their subordinates with their office, account,

and petty establishments, *Accounts* (including the Examiner and central office of accounts), and, where necessary, *Collection* and *Police* for the realisation of tolls brought to account as revenue in the Public Works Department.

1838. The details of the establishment will be shown in the estimate collectively for the whole province without reference to the divisions among which the members are distributed. XIV, 2045.

1839. The estimate should include the military pay and allowances, which, under the rules in force, are payable in the Public Works Department, and should be confined to the scales of establishments actually sanctioned; or when any excess above those scales is entered in the estimates, the reason should be explained in a separate letter. The provision for temporary establishment under each class should be made quite distinct from that of permanent establishment. XIV, 2046.

1840. Under this main head will, moreover, be included the estimated expenditure during the year for travelling allowances to public servants, and Contingencies (for charges of a miscellaneous nature, subsidiary to the performance of the duties of the establishment), under the separate heads of establishment given in para. 1837. XIV, 2047.

1841. When any portion of the work to be performed by the Public Works establishment is to be defrayed from local funds, a portion of the expense of the establishments will be shown in the abstract by deduction entry from the total arrived at from the details of the staff, as chargeable to those funds. XIV, 2048.

1842. In the provinces to which the Provincial Service arrangements apply, the entire provision for establishments will be detailed in Part III of the Provincial XIV, 2049.

Service budget estimate, the portions thereof debitable to Imperial funds being deducted from the total of the schedule and included in the Imperial budget estimate which has to bear the charge.

XIV, 2050. **1843.** *Tools and Plant.*—The estimated expenditure under the main head "Tools and Plant" will, in Part IV, be shown under the heads of—

Surveying and mathematical instruments,	Tools,
Machinery,	*Office furniture,*
Plant,	*Camp equipage,*
	Live-stock,

and also charges for the repair of tools and plant, office furniture and camp equipage, and for their transport from one place to another. Under office furniture will be included provision for articles (except stationery and perishable articles) required for use in all Executive offices of the Department, which can be brought on numerical lists like tools and plant. In offices of Direction and Account, office furniture is charged to Establishment under the sub-head of *Contingencies*, as laid down in para. 589.

XIV, 2051. **1844.** The value of stores expected to be paid for in England during the course of the year, and not included in the estimate for works, will be shown in a lump sum, in the body of the estimate for tools and plant, the detail being given in the annual indent for stores required under paras. 1231 and 1261.

XIV, 2052. **1845.** *Suspense Accounts.*—Part VI of the budget estimate shows the transactions under Suspense debitable to Imperial funds, either under Military or Civil works, or to Provincial funds. In case of the budget estimate being prepared for a decrease in suspense, a note should be made at the foot of the estimate to show

Budget Estimates.

the specific items of the provision for Original works or repairs, the grants for which should be reduced in case the decrease in suspense does not take place. And it should be understood that the grants for such items are not to be expended, to the extent noted against each, until the decrease in suspense really takes place.

1846. *Irrigation Branch.*—The budget estimates (Form No. 127) of Major and Minor Irrigation works will consist of the following documents,—one estimate being prepared for Major Works, and one for Minor Works and Navigation including Agricultural Works; both the estimates including outlay from all funds which should be shown distinctly :— XIV, 2053.

A.—Abstract estimate of Revenue.

B.—Abstract estimate of Expenditure.

C.—Details of estimate of Expenditure.

Part I.—Details of the estimate of expenditure arranged by canals and objects of work.

„ II.—Details of estimate of Original works.

„ III.— Ditto ditto Maintenance and repairs.

„ IV.— Ditto ditto Establishment.

„ V.—Detail of estimate for Tools and Plant.

„ VI.—Detail of estimate of suspense balances.

Parts II, III and V are not required by the Government of India.

1847. The entries to be made in the budget estimate of revenue should be confined to the exhibition of such receipts only as have to be brought to account as *revenue from works of Irrigation and Navigation*, and from Agricultural works, in the Finance accounts of the Department, a line for each canal or work only being entered. But a memorandum is to be added at the foot to show the portion of the land revenue due to, or dependent on, the works. The amount of direct revenue, as well as of land revenue, should be shown distinctly for each canal or project for which a distinct revenue account is kept. And the entries should be so arranged XIV, 2054.

as to bring out distinctly the probable receipts from projects for which Capital and Revenue accounts are kept, from those for which only Revenue accounts are maintained, and from those for which neither Captial nor Revenue accounts are kept. The receipts to be credited to Capital account are not to be shown in the estimate; such receipts are to be treated as recoveries of outlay, and provided for by a reduction of the grants for expenditure.

XIV, 2055. **1848.** The abstract budget estimates of expenditure will show the distribution by departmental heads of the grant under the following heads:—

1.—Works for which Capital and Revenue accounts are kept—
Capital.
Revenue.

2.—Works of which only Revenue accounts are kept.

3.—Works for which neither Capital nor Revenue accounts are kept.

XIV, 2056. **1849.** Part I of the Budget estimate shows the distribution of the grants by canals and objects of works. This part of the estimate showing details of the estimate of expenditure and its distribution by canals and objects of work will exhibit, for each canal for which a distinct Capital or Revenue account is maintained, the grant under each of the classes into which the expenditure is divided, compared with the sanctioned estimate, the actual outlay to the end of previous year, the probable outlay, and the grant of the year current. The form requires that the grants for capital outlay for each project for which a distinct Capital account is kept should be compared with the amount sanctioned for the purpose, and the reference in the column of remarks should show distinctly the authority and amounts by which the sums entered as the total cost of the project are arrived at. This part of the budget estimate should be prepared so as to show the Capital outlay and Capital grants under each

Budget Estimates.

class for each project against the sums sanctioned. In order to do so, it is necessary that a separation should be made in the Capital accounts of the old outlay on canals, and the current outlay against the sanctions to be entered in Part I.

1850. The separations of the current Capital outlay on any project from old Capital outlay, and the comparison of the former with current sanctions, requires all the current sanctions under Capital to be aggregated and treated as portion of a general sanction. XIV, 2057.

1851. In cases where several canals constitute a project, or where the accounts of several small works are grouped together for the purpose of the accounts of Capital and Revenue, the project or group, and not the item for each canal or work, should be the unit by which the entries should be made in the budget estimate. XIV, 2058.

1852. Unforseen new works chargeable to Revenue may be provided for as a distinct head under each of the grants for the heads mentioned in para 1848. XIV, 2059.

1853. When it is necessary to do so, provision may be made for an increase or decrease in the stock and other suspense accounts for each project. In such cases the details of the provision will be shown in Part VI. XIV, 2060.

1854. Refunds of revenue should also be budgetted for under Revenue Expenditure. XIV, 2061.

1855. Part II of the budget estimate shows the provision for expenditure under Works. The entries to be made in this part of the budget estimate should be arranged by projects; the grants for Capital outlay for each project being shown distinct from Revenue, or neither Capital nor Revenue outlay. The entries are to be confined to those works of the project on which expenditure is to be incurred during the year, so that the totals of the column "Amount of estimate" for each project will not always agree with the amounts shown in Part I, though the total of grants will agree. XIV, 2062.

Budget Estimates.

XIV, 2083. **1856.** The works of each project will be arranged by main and sub-heads. It is left optional to Local Governments and Administrations to detail the works under each sub-head, or to give the total grant for each sub-head only.

XIV, 2085. **1857.** *Recoveries on account of Income Tax.*— The budget estimate should simply show the total probable recoveries. Details are not required.

XIV, 2086. **1858.** *Payments on account of Exchange Compensation Allowance.*—The budget estimate should show the probable payments by Major Heads and Funds.

Six-months' Estimate.

XIV, 2087. **1859.** Preliminary to the submission of the revised estimates, a report, technically called the six-months' estimate, should be furnished so as to reach the Government of India by the 25th October of each year, by each Local Government and Administration, and by the Director General of Military Works. This report should be prepared after a consideration of the receipts and expenditure, actual and approximate, for the first six months of the year, and the letters of credit issued for October and November; as well as of the probable receipts and expenditure of the year in India, under the heads of classification and funds taken account of in the budget estimates.

XIV, 2088. **1860.** The six-months' estimate of the Buildings and Roads Branch will be submitted in Form No. 128 and of the Irrigation Branch in Form No. 129.

XIV, 2089. **1861.** Important variations between the budget estimate and the six-months' estimate under each head of classification should be explained in a memorandum submitted with the six-months' estimate.

XIV, 2090. **1862.** In these six-months' estimates which relate to the year current at the time they are prepared, the best approximation then possible to the figures which will represent the budget estimate of the ensuing year will be entered except for those heads of expenditure for which grants have to be definitely fixed by the Government of India.

Revised Estimate.

1863. The figures for the revised estimate should be based on the actual receipts and expenditure of the year, so far as recorded in the accounts, and the probable receipts and expenditure for the remainder of the year. It will thus show, in an abstract form, the probable variations which have been found necessary from the arrangements made in the budget estimate, and, especially in the case of Imperial funds, the probable short outlay which may thus be made available for expenditure in other parts of India.

1864. The revised estimate accepted by the Government of India should not be quoted as authority for expenditure in excess of grants passed in budget orders. For all expenditure not provided for in the budget estimate of the year, the orders of the Government of India or the Local Government or Administration sanctioning additional grants should be quoted. Any excess remaining unsanctioned at the close of the year should be dealt with as prescribed above. XIV, 2002.

1865. The revised estimate *is a forecast of the expenditure likely* to be incurred during the year, and the figures entered therein, although based on sanctioned grants, should not be regarded as formal allotments of funds. In cases where the actuals are expected to exceed the budget grant as modified up to date, separate action should be taken to obtain an additional grant to cover the excess expenditure, and the fact should be noted in the letter submitting the revised estimate. XIV, 2003.

If the revised estimate shows that the outlay is likely to fall short of the grant, the amount of the expected lapse should be treated as a reduction of the sanctioned grant, pending confirmation by higher authority, and the issue of funds regulated accordingly.

When the revised estimate accepted by the Government of India differs from the grants as modified to

date, such difference is not to be regarded as a modification of grant unless separately advised.

XIV, 2094. **1866.** The revised estimates of revenue and expenditure pertaining to Military Works and to Imperial, Provincial and Local funds, for Civil Works and Irrigation Works, together with an abstract budget estimate for the ensuing year, will be prepared in Form No. 125A and submitted, so as to reach the Government of India on the 15th January, the figures being repeated subject to any necessary modifications, in the detailed estimates due on 15th February.

XIV, 2095. **1867.** The totals only of revenue and expenditure against each major and fund head are required to be shown in the abstract revised estimate, which is in two parts. Part I compares the revised estimate with the budget estimate of the current year, Part II compares the budget estimate for the ensuing year with the revised estimate of the current year. Brief explanation of important differences should be given.

XIV, 2099. **1868.** *Recoveries on account of Income Tax.*—The revised estimate will be submitted with the budget estimate. No details are required—merely a report of the total estimated recoveries.

XIV, 2100. **1869.** *Payments on account of Exchange Compensation Allowance.*—The revised estimate will be submitted with the budget estimate and should be calculated at the actual quarterly rates advised for the payment of the allowance.

XIV, 2101. **1870.** The Imperial, Provincial, and Local Incorporated funds budget estimates should be printed by the several Governments and Administrations, and four copies thereof submitted as a preliminary issue, which should have noted on it, in red ink and in large type, "Preliminary Issue"; the matter being meanwhile kept in type until the final orders on the budget estimates come to hand. After these orders are received, the estimates should be corrected to accord with the amounts

allowed, and then finally printed off for distribution by the Local Governments and Administrations concerned, with the words "Final Issue" noted on the cover in red ink. Fifty copies of the estimates thus printed should be submitted to the Government of India by the 1st May. Particular care should be taken to see that the estimates are printed in the same type and on paper of the same kind as that used in the pattern forms of budget estimates The arrangement of the entries and the space allowed between each entry should also be according to the pattern form. These instructions are equally applicable to the Railway Branch budget estimates, except that the preliminary issues may be submitted in manuscript (in duplicate) if arrangements cannot be made to have them printed by due date.

1871. The preliminary issues of the budget estimates of Rajputana, Central India, and Baluchistan may be submitted in manuscript (in duplicate) if arrangements cannot be made to have them printed by due date, but the final issues should invariably be submitted in print. XIV, 2102.

1872. The preliminary budget estimate of each Local Government and Administration will be accompanied by a letter, also in print, reviewing the appropriation of funds in the budget estimate, affording explanation and commenting on the more important items, and bringing to the notice of the Government of India any particulars which cannot be conveniently embodied in the tables in the budget estimate. The letter should, for convenience of reference, be submitted as a separate document instead of being bound up with the budget forms. A similar letter or memorandum should accompany all railway estimates furnishing explanations of important variations. In the case of *Revenue budget estimates* the memorandum should explain all important variations between the budget and revised estimates of the year current and between the revised estimate and the budget estimate of the coming year. XIV, 2103.

1873. It is to be understood that when any portion of the forms or headings is inapplicable, that portion XIV, 2104.

may be sent up with a brief statement, following the general heading or title, that no expenditure will take place under this head; and all the details of that part of the forms may be omitted.

XIV, 2105. **1874.** A separate abstract budget estimate of expenditure to be incurred in the Public Works Department from Excluded Local funds (*vide* para. 1775), in which classification municipal funds are placed, will also be prepared and submitted annually to the Government of India. Expenditure which is intended to be incurred by the agency of the Public Works Department, or by Civil officers acting as Public Works disbursers, should alone be included in this estimate. The object of the submission of this budget estimate is simply to complete the information regarding the operations of the Public Works Department, and no interference with the appropriation of their funds by Local authorities is implied.

Appropriations and Re-appropriations.

General Rules.

XIV, 2106. **1875.** It must be regarded as a fundamental rule that no outlay is to be permitted without a due allotment of funds (except in cases of unfinished works of previous years likely to be completed in the new year for Rs. 500 or less); and, in order to admit of the expenditure of the year being properly regulated, the following further principles should be strictly observed:—

I.—The expenditure on each work should be limited by the allotment assigned for it, and excess expenditure over grant (unless in cases of excess outlay of Rs. 500 and under) should be covered at once by a formal appropriation of a budget grant.

II.—No expenditure against grant should be incurred in expectation of short outlay against grant, nor should any expenditure be allowed without making the [illegible]

III.—The aggregate of the appropriations under all heads from each fund must never be in excess of the grant from that fund.

IV.—Outlay in excess of grant may not be treated as "authorized excess outlay." All such excess outlay must be provided for, either by an additional grant, or by a formal appropriation of funds.

V.—Applications for additional grants should not be submitted for sanction except under very exceptional circumstances, when it should be fully explained why the proposed expenditure will not bear postponement to the next financial year.

VI.—Between 1st April and 30th September, applications for additional grants under Imperial Funds for non-budget works, or to assist budget works, will ordinarily be received and considered by the Government of India only when the demand exceeds Rs. 5,000 in each case and is of an urgent nature, smaller demands should usually be met by re-appropriations from works within the Budget programme, subject to the limitations and conditions specified in para. 1876. But there is no objection to Local Governments and Administrations exceeding the limit of Rs. 5,000 if necessary and when this can be done without danger of eventual dislocation of the total grant under the head affected, and subject to the limitations and conditions mentioned above.

VII.—The provision for establishment which is entered in the budget for the province as a whole (para. 1838) should be distributed over the several divisions so as to form divisional grants, against which the progress of expenditure under this head should be watched, and additional grants be arranged for in good time if found necessary.

1876. The following rules apply to the Buildings and Roads and Irrigation Branches:— XIV, 2107.

(a) Local Governments and Administrations may sanction re-appropriations of allotments provided in the budget estimates of outlay from Imperial funds, subject to the limitations and conditions specified in the following clauses:—

(*b*) No re-appropriation may be made from one major head to another—*vide* para 1774.

(*c*) Without the previous sanction of the Government of India no re-appropriations may be made—

(1) From Imperial to provincial or Local funds, or *vice versâ*.

(2) From the English to the Indian grants.

[Transfers from the Indian to the English grant may be made, but should be reported to the Government of India — *vide* clause (*g*) below]

(3) From the grants [illegible] estimate (*vide* [illegible] been specially [illegible]

[As a rule important Imperial lines of communications will be classed as A.]

NOTE.—The above does not apply to temporary re-appropriations which Local Governments and Administrations may find necessary to make between the period 1st April and 30th September under para. 1875 (VI).

(4) From any departmental head to establishment, if such transfer would cause an excess over the sanctioned limits for permanent establishment, or over the budget provision for temporary establishment. [*Vide* clause (*i*) below.]

(5) From the grant for any departmental head, or from reductions in suspense balances, to works not entered in the budget estimate, when the estimated cost exceeds Rs. 20,000.

[NOTE. (1) This rule does not apply to the Irrigation Branch, nor to the case of works omitted from the budget estimate, merely because it was expected that they would be completed in the previous year.

(2) In the Military Works Services the Chief Engineers of Commands are competent to make transfers between class B works.]

(*d*) The power to sanction re-appropriations within Imperial grants under the foregoing rules is subject to the following general conditions :—

(1) That funds are not diverted to objects not sanctioned by competent authority.

(2) That the sanctioned budget programme is not disarranged, except when circumstances render a

Appropriations and Re-appropriations.

re-arrangement of the grants under service and departmental heads absolutely necessary.

(3) That the requirements of works in progress are first considered before money is diverted to new works.

(4) That the provision for minor works is, as far as possible, limited to the average outlay of the five previous years.

(5) That no expenditure is authorized by decrease of suspense balances, unless such decrease has actually taken place. (See also para. 1845.)

(*e*) In the case of Provincial and Local funds all re-appropriations within budget grants are permissible (*vide* paras. 1935 and 1950), but increases to Public Works grants require the sanction of the Financial Department of the Local Government.

(*f*) In cases where indents are submitted to England for stores for Imperial services, the probable amount of the expenditure in England should be at once provided for by a re-appropriation of budget credits, and a report that this has been done submitted to the Government of India. The English payments for stores for Provincial and Local Works are to be provided for by hypothecation of grants in the manner laid down in para. 1807.

(*g*) It must be accepted as a fundamental rule that Imperial budget grants cannot be increased by a Local Government or Administration, and that no Imperial expenditure can be permitted without an appropriation from a grant sanctioned by the Government of India. This rule applies to the case of the grants to Local Governments and Administrations for expenditure in India as distinguished from the grants for expenditure in England. If, during the course of a year, it appears to a Local Government probable that the grant allotted for Imperial expenditure in England for the year will not be expended, the amount of the expected saving cannot be added to the grant for expenditure in India without the sanction of the

Government of India. A Local Government may, however, make re-appropriations from India to England, reporting the same to the Government of India. Without sanction of the Government of India the Imperial Public Works grant cannot be increased by transfer from a Civil budget estimate (*vide* para. 1805), or by the amount of any receipts which have to be credited to Public Works revenue.

NOTE.—As the heads "42.—Major Works—Working Expenses" and "43.—Minor Works and Navigation" in Bombay and "42.—Major Works—Working Expenses" in Punjab are now divided heads, the Local Government concerned is competent to sanction modifications of the budget grants in respect of the Imperial portion also, subject to the conditions of para. 13 (*b*) and (*c*) of Finance Department Resolution No. 3331 A., dated the 11th August 1897, and to the limitations specified in para. 1925 of this Code. The earliest possible intimation should, however, be given to the Government of India of any intention to reduce the Imperial budget grants under the heads mentioned by transfers to other heads of account and all increases to these budget grants should be similarly reported as soon as possible after they are sanctioned.

(*h*) Applications for re-appropriations of budget credits requiring the sanction of the Government of India should be made in Form No. 41 H, which shows specifically the grants which it is proposed to reduce, and that the reductions agree with the re-appropriations in amount. The application should be submitted in duplicate, and if it is sanctioned by the Government of India, one copy will be returned with an endorsement to that effect.

(*i*) Outlay on temporary establishment is to be limited by the provision in the budget estimate for that specific head. If the savings in the grant for any of the several departmental heads are sufficiently large for utilization on entertainment of temporary establishment beyond that provided for in the budget estimate, application should be made to the Government of India for sanction to the transfer of the savings to the grant for temporary establishment. It must, however, be clearly understood that nothing in this paragraph shall be construed to extend the powers of Local Governments and [illegible] to

sanction establishments beyond the limits laid down in Chapters I and II.

(*j*) In the case of Capital expenditure on Irrigation works not charged to Revenue, after the grant for the year has been fixed and assigned in the manner laid down in para. 1797, Local Governments will be empowered to re-appropriate the allotments from one sanctioned project to another, provided that this power has not been reserved by the Government of India (a course which may be necessary in exceptional cases); when transfers between projects are made a report should be submitted for the information of the Government of India.

(*k*) In the Irrigation Branch specific appropriations for individual estimates and departmental heads need not be made, but the total grant for the province should, at the beginning of the year, be allotted to divisions in lump sums under the following heads:—

Each Major work and each Minor work for which Capital and Revenue accounts are kept separately:

Under—

(*a*) Capital.

(*b*) Revenue—

(1) Extensions and improvements.

(2) Maintenance and repairs, tools and plant, etc.

All other minor works in one lump sum.

The Executive Engineer will be responsible that his outlay is kept within the divisional totals, and the Examiner's audit will be conducted on the same basis.

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1877. No advances should be made to local bodies for public works without the general or special sanction of the Government of India, unless in any case the Local Government is empowered by law to make such advance without reference to the Imperial Government; and regular provisions should be made in the estimates XIV, XIII.

for all advances, and no advance is to be made without the special sanction of the Government of India, unless funds have been duly provided in the estimates and sanctioned by the Governor General in Council.

XIV, 2112. **1878.** In the event of the orders of the Government of India on the Imperial Public Works budget estimate of any Province not being received before the commencement of the official year, the Local Government or Administration is vested with the following powers for undertaking work and incurring expenditure before the receipt of these orders :—

I.—All original works in progress at the end of the previous financial year may be continued.

II.—All original works for which an appropriation was made under proper authority in the budget estimate of the past year, but which may not have been begun in that year, may be commenced in the new year; the expenditure on account of any such work, in anticipation of orders on the budget estimate, not being allowed to exceed the amount of the previous year's appropriation.

III.—Expenditure may be incurred on repairs to the extent of the previous year's allotment, under each of the budget sub-heads, provided that it does not exceed that entered in the budget estimate of the current year.

IV.—Expenditure may be incurred on establishment at the average monthly rate of the previous year.

V.—Expenditure on tools and plant may, likewise, be incurred to the extent of the previous allotment (under a similar limitation with respect to the entries in the budget estimates for the year).

VI.—A similar rule will apply to expenditure on railways.

XIV, 2113. **1879.** The monthly expenditure to be incurred in any province, pending the issue of orders on the budget estimate, is to be limited to one-twelfth of the total allotment of the previous year.

XIV, 2114. **1880.** As a matter of course, all expenditure incurred under these rules in anticipation of sanction to the

Miscellaneous Regulations.

annual budget estimate must be treated as a charge against the grants eventually made.

1881. The Government of India reserve the right in dealing with the budget grants of the Local Governments and Administrations, to suspend the execution of any project concerning which it may not be satisfied; and on sufficient grounds to direct the application of the money saved by such suspension to works of paramount importance which appear to have been insufficiently provided for. XIV, 2115.

1882. The Government of India may also require a diminution in the cost of establishments as entered in the budget estimate of a Local Government or Administration should it see fit to do so. XIV, 2116.

1883. In the event of a continued difference of opinion between the Government of India and the Government of Madras or Bombay, regarding any proposal brought forward in the budget estimate, the latter Governments may claim a reference to the Secretary of State in Council; but on any proposal of other Local Governments or Administrations, the veto of the Government of India will be absolute. XIV, 2117.

1884. Local authorities are held generally responsible that all probabilities of lapses and excesses on Imperial grants are brought to the notice of the Government of India in sufficient time to allow of the necessary modifications of grants and the utilization of lapses elsewhere. XIV, 2118.

1885. When one Fund or one branch of the Department executes work for another, the charges for Establishment and Tools and Plant will be regulated under the following rules :— XIV, 2119.

I.—*Establishment.*—The charge will be calculated at the rate of 23 *per cent.* on the outlay on works and repairs (excluding items named in clause IX) *plus* 5 *per cent.* on the revenue realized from Civil or Military Works and 10 *per cent.* on all direct revenue realized from Irrigation Works.

II.—*Special Revenue Establishment.*—Where a separate Establishment is entertained for the collection and management of Irrigation revenue, the whole cost of that Establishment will be debited to the fund concerned instead of the 10 *per cent.* charge referred to in the preceding clause.

III.—*Barrack Department.*—The charge for establishment on the outlay on new supplies and repairs of barrack furniture will be at 10 *per cent.* on outlay not supervised by special Barrack Establishment.

IV.—*Tools and Plant.*—The charge for the use of tools and plant will be calculated at the rate of 1½ *per cent.* on the outlay on works and repairs, except in the case of Irrigation works for which Capital and Revenue accounts are kept where the actual cost of tools and plant supplied will be charged to those projects instead of the percentage rate.

V.—*Local Funds, Municipalities and Contribution Works.*—Local Governments and Administrations may relax the foregoing rules in the case of works carried out by Provincial Establishment out of Contributions and for Local Funds and Municipalities, but when the establishments executing the works are Imperial, the previous sanction of the Government of India should be obtained as laid down in para. 137.

VI.—*State Railway Volunteer Rifle Corps.*—The charges under the foregoing rules may be remitted in the case of works not exceeding Rs. 500 in cost executed by the Engineering Department of a railway for Volunteer Rifle Corps connected with State railways, provided that no additional establishment is entertained for such works.

VII.—*Distribution of charges within Imperial Branches of a Province.*—The distribution of charges for Establishment and Tools and Plant between the Imperial Buildings and Roads and Irrigation Branches should be regulated in accordance with the rules in clauses I to IV, except in Provinces where special arrangements have been sanctioned by the Government of India.

VIII.—*Distribution of charges within Provincial and Local Branches of a Province.*—When the Establish-

ments are Provincial or Local, the Local Government or Administration may apportion the charges for Establishment and Tools and Plant between Provincial and Local Civil Works and Provincial Irrigation Works, in such proportions as may be considered desirable.

IX.—*Items of outlay on which no charges for Establishment and Tools and Plant are permissible.*—Percentage charges for Establishment and Tools and Plant are only permissible in cases where actual work is done and not merely payments made. Such charges are therefore inadmissible in cases of expenditure of the following nature :—

(*a*) Special items in which the expenditure is incurred by other than departmental officers.

(*b*) Disbursements for the purchase of land, house property or furniture.

(*c*) Payments in England on account of stores, etc., and charges for exchange.

(*d*) Payments on account of compensation for quarters or sittings in churches and watchmen's wages.

(*e*) Generally payments involving no charges for supervision.

1886. The establishment charges in the executive divisions of the Irrigation Branch should be apportioned between the several classes of works carried out in those divisions under the following rules. These rules, however, do not apply to the establishment kept up for collection and police, for navigation and other revenue purposes, which should always be debited entirely to the Revenue account :— XIV, 2120.

I.—All charges for establishment arising in executive divisions in which only Capital works are in progress, and all charges for Superintending Engineers and their officers employed wholly in superintending Capital works, will be debited monthly to Capital. If the Capital works are being executed wholly from a grant for Capital expenditure "Not charged to Revenue," that grant will be debited with the charge ; but if they

are being executed partly from a grant for Capital expenditure "Not charged to Revenue," and partly from a grant "Charged to Revenue," the charge will be apportioned monthly between the two grants in proportion to the outlay from each or in accordance with Rule II, the division being considered as primarily maintained for the work or class of works on which the outlay predominates.

II.—In divisions where both Capital and Revenue outlay is being incurred, the charge to Capital for construction establishment will be made month by month at 18 *per cent.* on the outlay on works and repairs, the balance of the charge for establishment after deducting the sum charged to service heads other than Irrigation being debited monthly to the Revenue account.

III.—In the case of mixed divisions primarily kept up for maintenance purposes, in which—

(1) outlay on Capital works,

(2) outlay on works for which neither Capital nor Revenue accounts are kept,

(3) Revenue outlay on works for which Capital and Revenue accounts are kept,

(4) Revenue outlay on works for which Revenue accounts only are kept,

are all in progress, the debit for establishment to the 1st and 2nd of these classes of works will be in accordance with the preceding rule, the balance of the charge, after deducting the sum charged to Major heads other than Major Irrigation heads, being divided between (3) and (4) in proportion to outlay.

IV.—In the case of a mixed division in which the outlay on Capital works is so large that it may be fairly considered that the division is kept up primarily for Capital works, the charge to the Revenue account for establishment will be regulated in accordance with Rules II and III, the balance of the charge after deducting the sum charged to Major heads other than Irrigation Major heads being debited to Capital.

Miscellaneous Regulations.

NOTE.—But before this rule is adopted the sanction of the Local Government must be specially obtained and placed distinctly on record, with the reasons for it.

Rule IV is also to be applied in the case of a division in which the bulk of the outlay is on Irrigation works for which neither Capital nor Revenue accounts are kept.

V.—For Direction and Account, the charge to Capital works (whether constructed from a grant "Charged to Revenue" or from a grant "Not charged to Revenue") and for Irrigation Works for which neither Capital nor Revenue accounts are kept will be 5 *per cent.* on the outlay incurred. If in any case there is a special Superintending Engineer for any one work, whose whole salary is charged to the Capital account of a work, the amount so charged should be deducted from the amount arrived at by the 5 *per cent.* charge, and the balance only charged to the Capital account for proportion of charges for Chief Engineer and Office of Account.

VI.—Charges for Survey establishment will be debited to the Capital outlay of the works on which the establishment is employed. But no portion of the charge for Survey establishments can be debited to the grant for Capital expenditure "Not charged to Revenue" without obtaining the sanction of the Government of India.

VII.—The calculation of the charge for establishment at the percentage rate will be based on the outlay on works and repairs only exclusive of the cost of land, house property and other charges mentioned in para. 1885.

VIII.—The percentages fixed are liable to alteration as experience may show to be necessary.

NOTE.—No deviation from these rules may be permitted without the special sanction of the Government of India.

Chapter XV.—Productive Public Works.

XV, 2121. **1887.** Productive Public Works are works of a remunerative character undertaken for the improvement of the country, of which the first cost is usually met from borrowed money; the interest, and the cost of maintenance and working being provided out of current revenues, the income being credited thereto. The term "Productive Public Works" is here used with respect to Irrigation Works.

XV, 2122. **1888.** The major head under which capital outlay is recorded is—

49.—Irrigation Works.

The revenue from Irrigation Works is credited under head "XXIX" and the interest and working expenses are debited under "42."

XV, 2123. **1889.** To admit of a work being classed as a Productive Public Work, the following conditions must be satisfied:—

(a) There must be good reason to believe that the revenue derived from it will, in the case of an Irrigation project within ten years, after the probable date of its completion, repay the annual interest on the capital invested including therein all arrears of simple interest up to that date, and also the capitalised value of the land revenue and of leave allowances and pensions; but in preparing a project for sanction no deduction is to be made from the total capital outlay on account of anticipated excess of revenue over simple interest.

(b) It must be susceptible of having clear Capital and Revenue accounts of it kept.

(c) Its classification as a Productive Public Work must be authorised by competent authority. In the case of an Irrigation project the Government of India are competent to sanction such classification when the cost does not exceed Rs. 10 lakhs excluding Establishment and Tools and Plant charges, or Rs. 12¼ lakhs inclusive of those charges; the sanction of the Secretary of State must be obtained

when the cost exceeds these limits. The sanction of the Government of India, or of the Secretary of State must be notified in the *Gazette of India,* and will be authority to the Accountant General of the Public Works Department and the Comptroller and Auditor General for treating the expenditure upon the projects work as productive

1890. All Productive Public Works are classed as Imperial, although they may be, and most frequently are undertaken in the interests, at the instance and on the financial responsibility of Local Governments and Administrations. When a Local Government or Administration has accepted financial responsibility the revenue, the expenditure on working and maintenance, and the interest on the Capital outlay are treated in the public accounts as Provincial and the transactions affect the finances of the Local Government. XV, 2124.

1891. The whole Capital outlay from all sources upon every work sanctioned as a Productive Public Work is recorded in the accounts of the Public Works Department, and in the Finance and Revenue Accounts, as Imperial expenditure, no part of such expenditure being recorded as Provincial or entered in the Provincial accounts, either because funds may be raised for it by means of a local debenture loan, or provided from Provincial resources, or because interest on the capital cost of the work and the cost of its maintenance are defrayed from Provincial resources, and the revenues accrue to the Provincial treasury. XV, 2125.

1892. It is *sometimes made a condition of the* construction of a Productive Public Work that the whole or part of the cost shall be raised by means of a local debenture loan. The interest upon such a loan is paid from Provincial resources and entered in the Provincial column in the Finance and Revenue Accounts. Nevertheless, a local debenture loan is part of the regular public debt of India: in raising such a loan a Local Government acts, not independently, but as the Agent XV, 2126.

for the Government of India only; and the particular character of these loans confers upon the Local Government no special rights in their proceeds, which simply accrue to the Imperial treasury and are Imperial assets.

XV, 2127. **1893.** In like manner, the only practical effect of an appropriation from the balances at the credit of a Local Government for the construction of a Productive Public Work is to diminish the interest which the Local Government would otherwise be charged with in respect to the work. Funds thus provided from Provincial resources are simply contributions to the Imperial expenditure on Productive Public Works, and should be treated accordingly in the accounts; the entries under the finance head concerned being unaffected thereby, and the whole Capital outlay upon the work being none the less treated as Imperial.

XV, 2128. **1894.** Local Governments may not spend Provincial funds directly upon the construction of works subsidiary to any Productive Public Work. The cost of such subsidiary works must be treated as part of the cost of the main work. If a Local Government desires to spend Provincial funds upon such works, it can only do so indirectly by making a contribution for them to the Imperial Government, as explained in paragraph 1893.

XV, 2129. **1895.** The Government of India is responsible to the Secretary of State that the general conditions applicable to the construction of Productive Public Works and special conditions (if any) upon which the Secretary of State has sanctioned any particular work are carefully observed. This responsibility is incompatible with any independent action with respect to such works by a Local Government, notwithstanding that it may find the cost from Provincial funds. The Secretary of State takes no count of the several sources from which the funds for the construction of such a work are provided; he regards only the gross cost of the work and the conditions applicable to its con-

struction, which are in no way affected by the source from which the funds expended upon its construction are provided.

1896. All expenditure upon the construction of a Productive Public Work, or any work subsidiary thereto which is an essential part thereof, must be recorded as Imperial expenditure; and no such expenditure must be incurred, except with the sanction of the Government of India previously obtained. XV, 2130.

1897. These orders are not intended to interfere with the expenditure of ordinary Provincial resources upon works which, though connected with a Productive Public Work, are not essential parts thereof and do not enter into its cost, such for example, as a bridge over a canal or railway, a feeder-road, or even a feeder-canal, or the like; but in the execution of such works, care must be taken not to transgress the general principles laid down. XV, 2131.

1898. After a project has been drawn up and sanctioned as a Productive Public Work, subsidiary works such as navigation channels, plantations, and the like, often suggest themselves and are found desirable. The same test will be applied to them as to the project to decide whether they should be Productive Public Works or not; and if it be decided to treat them as Productive Public Works, then the rules must be applied which are laid down for revised or supplementary estimates of Productive Public Works. XV, 2132.

1899. Where outlay is of a nature which under the rules in force, does not appertain to Capital, it is not, under any circumstances and whatever its magnitude, to be charged to Capital. The principles to be observed in deciding whether an item of expenditure should be charged to Capital or to Revenue are as follows:— XV, 2133.

Capital bears all charges for the first construction and equipment of a project as well as charges for maintenance on sections not opened for working and charges for such subsequent additions and improvements as may be admitted by competent authority.

Revenue bears all charges for maintenance and working expenses which embrace all expenditure for the working and up-keep of the project, for alterations, and for such minor additions or improvements as it may be considered desirable to charge to Revenue instead of increasing the capital cost of the undertaking.

XV, 2134. **1900.** Whenever it is ascertained that the expenditure upon any project or work treated as productive is likely to exceed the amount sanctioned by the Government of India, or the Secretary of State, the Government of India should be immediately advised of the anticipated excess, which will, if the excess requires the sanction of the Secretary of State, be at once reported to him by the Government of India without waiting for a revised estimate, which should be submitted in due course by the local authority concerned to the Government of India with full explanation of the causes of the excess and of the probable effect on the financial prospects of the work. If the cost of the project or work is not expected, upon such revised estimate, to exceed twelve and a half lakhs of rupees in the case of works sanctioned by the Government of India, or, in the case of works sanctioned by the Secretary of State, to exceed, by one-tenth or by twelve and a half lakhs of rupees, the amount sanctioned by him, such excess expenditure may, provided that in the case of Irrigation works the remunerative character of the work be still established, be sanctioned by the Government of India. In the case of any larger excess, the sanction of the Secretary of State to the increased expenditure must be obtained. Until these conditions are fulfilled, the Accountant General of the Public Works Department and the Comptroller and Auditor General are not permitted to treat as Productive any expenditure in excess of the amount originally sanctioned.

Further rules upon this subject will be found in paragraph 361, VII.

Productive Public Works.

1901. (*a*) In cases where expenditure on an Irrigation work, classed as "Productive," exceeds the sanctioned estimate to such an extent as to deprive the work of its prospect of being "Productive," further funds required for the work must be provided from Revenue, but outlay will nevertheless be recorded under "Productive Public Works." XV, 2135.

(*b*) Outlay once incurred on a work classed as a Productive Public Work will remain recorded as expenditure on Productive Public Works even should such work be *subsequently found to be unremunerative*; but if the Provincial Government responsible for the expenditure is called upon to repay from its resources, in one or more years, the outlay thus incurred unproductively, such outlay may be brought to account as expenditure against Revenue.

1902. The duty of originating proposals for Productive Public Works considered necessary for the Province under its administration will devolve on the Local Government, but the Government of India may, if occasion arise, suggest projects for consideration by the Local Government. The Government of India will reserve the following points for their special consideration and final orders when a complete project is submitted for sanction; but they will declare their views regarding them, so far as may be possible, at an earlier stage if desired by the Local Government :— XV, 2136.

(1)—The general alignment and scope of the proposed work, and its bearing upon other existing or projected works of a similar class.

(2)—The financial *prospects of the work.*

(3)—The general character or standard of the work.

(4)—The measures proposed for raising the capital locally and for meeting the interest thereon.

(*b*) In the case of proposals for Irrigation Projects the figures should be given in Forms I to IV prescribed in Government of India, Public Works Department, Circular No. VI P. W. of 1882. The financial prospects of a work, which it is proposed to admit

into the category of "Productive Public Works," must be considered in the Department of Finance of the Government of India; and the Government in that Department, on being satisfied as to the remunerative character of the work, will sanction, or request the sanction of the Secretary of State to its classification as a Productive Public Work,—*vide* paragraph 1889 (*c*).

(*c*) As to raising funds the mode must not be objectionable in principle, or interfere with Imperial operations.

XV, 2138. **1903.** *No sanction for an Irrigation or Navigation Project given under these rules,* whether by the Secretary of State or the Government of India, shall operate for more than five years. On or before the expiry of that time a statement shall be submitted to the Government of India showing the actual expenditure incurred against the sanction, and the sum remaining available for future expenditure. This statement should be accompanied by a report explaining whether the further expenditure proposed to be incurred is required (1) for the construction of works contemplated in the sanctioned project estimate, or (2) whether it provides either in whole or in part, for the construction of additional works or improvements, or of alterations involving additional expenditure, not provided for in the sanctioned project estimate. On a review of the further outlay and of the circumstances of the case the currency of the existing sanction will, if considered advisable, be extended for a further period, or a revised or supplementary estimate to cover the cost of such additional works, the necessity for the construction of which may be accepted by the Government of India, will be required to be submitted for sanction, *vide* also paragraph 1898 of this chapter. All cases falling under (2) must be considered in the Department of Finance of the Government of India.

V, 2110 **1904.** The cost of surveys and other preliminary operations in connection with projects for Productive Public Works will be met by the Local Government.

In the case of schemes, the investigations for which are undertaken by the desire of the Government of India, the charges will (if it seem necessary) be met by an Imperial grant from the ordinary revenues; but in the case of all other schemes, the Provincial Government will find the funds, subject to the condition in the following rules:—

I.—If a project, the charges for the investigation and survey of which have been met from ordinary revenues, be eventually sanctioned by the Government of India or by the Secretary of State for execution as a Productive Public Work, the expenditure from the *commencement, whether from Imperial or Provincial* funds, will be brought on to the Capital account of the project, under orders to be obtained from the Government of India in each case. This expenditure will be separately recorded in the Administrative accounts as outlay defrayed from ordinary revenues by entry in the column showing outlay to end of previous year. No actual transfer to debit of Productive Public Works will be made in the Finance Accounts.

II.—Interest on the amount of previous survey outlay brought on to the Capital *account of a Productive* Public Work, will be calculated for the full year in the accounts of which the addition is made.

III.—In exceptional cases, when outlay on surveys is met as incurred from Productive Public Works grants, interest will be chargeable thereon from the date when the outlay was incurred.

1905. No Productive Public Work shall be begun until all the prescribed preliminary formalities are completed, *i.e.*, until— XV, 2140.

(1)—the *construction of the work as a Productive Public* Work has been sanctioned by the proper authority;

(2)—the plans and estimates have been accepted by the Local Government, and, if the rules so require, by the Government of India;

(3)—funds have been formally provided for the work.

No money will be assigned to a Local Government for the construction of any Productive Public Work,

the construction of which has not been duly authorized, and the plans and estimates of which have not been duly accepted and sanctioned. Without the previous concurrence of the Government of India in the Department of Finance, no expenditure may be incurred on any Productive Public Work.

XV, 2141. **1906.** On the Local Government reporting that a project is ready for inspection, the Government of India may depute a selected officer to examine the designs and estimates, after a personal inspection of the locality if thought requisite. The officer so selected will report to the Government of India, giving a copy of his report to the Local Government, which will then submit the project, after revision, to meet the modifications suggested by the officer in question, so far as they may be accepted, the object being that the Government of India shall receive a project which shall have already been approved by the officers of both Governments.

XV, 2142 **1907.** The plans for all projects for Productive Public Works which are financially guaranteed by Provincial Governments, and the estimates for which do not exceed ten lakhs of rupees for works, or twelve and a half lakhs, including Establishment and tools and plant, and which are complete in themselves, may be dealt with finally by the Local Government after consideration of the report referred to in para. 1906, so far as engineering details are concerned, and they need not, therefore, be submitted to the Government of India accompanied by detailed plans or estimates; a selection of the plans and abstracts of the estimates sufficient to indicate clearly the scope of the project, and to justify its acceptance as a Productive Work, being in this case all that is required. But all such projects, the estimated cost of which exceeds ten lakhs of rupees for works, or twelve and a half lakhs, including establishment and tools and plant, must be submitted, for final orders on all points, to the Government of India, with the plans and abstract estimates of the several works composing it.

Productive Public Works.

1908. After approval by the Government of India of the project for an Irrigation work, the Local Government may modify the details of the works under any minor or sub-head of account, or component part within the amount sanctioned for that head or part and also apply ascertained savings under one head to another in accordance with existing rules: provided that such modifications do not in any way involve the alteration of other parts of the project, or affect the standard efficiency or stability of the whole work. If the modification be likely to lead to any such result, the Local Government will consult the Government of India before carrying out the proposed change. XV, 2143.

1909. During the progress of works, they will be inspected, from time to time, by the Inspector General of Irrigation or other selected officer. XV, 2145.

1910. A programme of Irrigation construction will be framed from time to time by the Government of India in communication with the Local Governments concerned, and under the sanction of the Secretary of State. The yearly grants for Capital outlay on Productive Public Works will be fixed by the Government of India in connection therewith, and with the object of providing funds for accepted projects, in such a manner as will admit of the works being carried to completion at an economical rate of progress, and as will utilize, to the full, each year, the resources at the disposal of the Government of India. XV, 2146.

1911. *Local Governments should make careful fore*casts of their future requirements for a term of four or five years, so that the Government of India may either make arrangements for complying with them, or give them timely warning of inability to do so. XV, 2147.

1912. The unspent portion of the grant to each project classed as a Productive Public Work will, unless the Government of India specially rule otherwise, lapse at the close of the year. XV, 2148.

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1908. After approval by the Government of India of the project for an Irrigation work, the Local Government may modify the details of the works under any minor or sub-head of account, or component part within the amount sanctioned for that head or part and also apply ascertained savings under one head to another in accordance with existing rules: provided that such modifications do not in any way involve the alteration of other parts of the project, or affect the standard efficiency or stability of the whole work. If the modification be likely to lead to any such result, the Local Government will consult the Government of India before carrying out the proposed change. XV, 2143.

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1912. The unspent portion of the grant to each project classed as a Productive Public Work will, unless the Government of India specially rule otherwise, lapse at the close of the year. XV, 2148.

Productive Public Works.

XV, 2149. **1913.** In the case of large works, such as canals, for which after their original completion, additions are sanctioned year by year, chargeable to Capital under paragraph 1919 a yearly account of the nature described in those paragraphs shall be submitted. The yearly grant having been fixed and assigned to the different projects, the Capital Budget Estimates will be submitted for the review and orders of the Government of India; and Local Governments are empowered, unless this is specially prohibited, to re-appropriate the allotments, from one sanctioned project to another, subject to the conditions laid down in paragraph 1876 (*j*).

XV, 2150. **1914.** In case of its being found necessary by the Government of India to reduce the total grant during any year, the Local Government will have the power to distribute the total reduction over any of the works in progress other than those in the case of which, as provided for in the last paragraph, this power may have been specially reserved by the Government of India.

XV, 2151. **1915.** *As a rule, and unless a work is required in* the general Imperial interests, or for the development of some poor or backward province, the Governor General in Council will not sanction, or recommend the Secretary of State to sanction, the construction of any Productive Public Work unless the Local Government undertakes to hold the Imperial treasury harmless in respect of all charges for interest.

XV, 2152. **1916.** Interest at a rate to be fixed by the Governor General in Council, so as to cover all discounts and other contingent charges arising from a loan transaction (at present 3¾ *per cent. per annum*) will be charged to the Local Government on all sums expended from Imperial funds upon the construction of Productive Public Works. *See also paragraph 1748.*

XV, 2153. **1917.** The Local Government will be responsible for the entire cost of maintaining its own Productive Public Works from the revenues of the Province, and will appropriate to its own uses the whole income accruing therefrom, subject to any special or general

rule under which the Government of India may be held to be entitled to a proportion of any net profits.

1918. It is not possible to define exactly the period at which the construction estimate of a "Productive Irrigation Work" should be closed; but unless specially ordered otherwise by the Government of India, it should be closed as soon as the project is practically in full operation, although there may be works such as drainage cuts, protective embankments, distributaries, etc., provided in the construction estimate, which it is not desirable or economical to construct at once. XV, 2154.

1919. It is, however, necessary to make provision for expenditure debitable to Capital, after the closing of the construction estimate of an Irrigation project. The following rules govern this subject:— XV, 2155

I.—No expenditure may be incurred except under competent authority, and within the Budget provision.

II.—Works which it may be necessary to construct after the closing of the construction estimate of the project, will be divided into two classes—

(*i*)—Works which are necessary for the full developement of the project, but which are not in themselves directly remunerative.

[Example.—Drainage cuts, protective embankments, overbridges, inspection houses, etc.]

(*ii*)—Works which are directly remunerative in themselves.

[Example.—New distributaries, facilities for navigation, works to increase the canal discharge, etc.]

III.—When the construction estimate is closed, a schedule should be submitted to the Government of India of the works of which detailed estimates have been prepared and sanctioned by competent authority. The schedule should include works which are within the scope of the construction estimate only, but which may have been incomplete, or not begun, at the time the construction

estimate was closed. The works should be divided into the two classes (*i*) and (*ii*), as defined [illegible] roved and [illegible], the Local [illegible] empowered to sanction outlay chargeable to the Capital Account of the canal, in accordance with the schedule and within the Budget provision.

IV.—The Local Government or Administration will submit, with this schedule, a report on the works executed at the time the construction estimate was closed. This report will discuss the financial results attained and the general prospects of the project, and will be accompanied by a statement comparing the actual expenditure, by the main heads and sub-heads of the Capital Account, with the estimate sanctioned by the Government of India or the Secretary of State. The report should be accompanied by an index map of the canals and distributaries as completed, and will be transmitted to the Secretary of State in cases where the project estimates have been sanctioned by that authority.

V.—If, subsequently, it be found necessary to construct other works, which may or may not have been contemplated in the construction estimate, but of which no detailed estimates had been sanctioned when the construction estimate was closed, the following procedure must be observed:—

(*a*)—Works of class (*i*) as defined in Rule II which are estimated to cost not more than Rs. 10,000 each for "Works" alone, may, within Budget provision, be sanctioned by Local Governments and Administrations, reporting the sanction to the Government of India without delay. But estimates for works of this class, costing more than that sum, must be forwarded to the Government of India with reports justifying the construction of the works from an engineering point of view, and showing that the cost can be justly charged to "Capital outlay on Productive Irrigation Works."

Productive Public Works.

(b)—Works of class (ii) may be sanctioned by Local Governments and Administrations up to the limit of Rs. 25,000 for "Works" alone in each case. The sanction should be reported for the information of the Government of India, and should be accompanied by a report indicating the remunerative character of the work. The sanction of the Government of India is necessary for works of this class costing more than Rs. 25,000 each.

(c)—Local Governments and Administrations may further sanction excesses over estimates sanctioned by the Government of India when the excess does not involve an additional charge of more than 10 *per cent.* on the original estimate, and provided such additional charge does not exceed the limit of their powers of sanction for new work under clauses (a) and (b).

VI.—In all cases, a date for the completion of the work must be assigned before sanction is accorded, and the sanction, unless extended, will lapse on that date. Extensions of the date of completion can only be accorded by the authority granting the sanction on full explanation of the cause of delay.

VII.—A register (P. W. D. Form No. 154) will be maintained by the Local Government or Administration with reference to each project, showing the sanction accorded by the Government of India to the schedule referred to in Rule III above, and each subsequent sanction against Capital, both of the Local Government and of the Government of India, and the date when each sanction lapses.

VIII.—The capital expenditure which is incurred on any Irrigation system under Rule V may be charged to "Capital outlay on Irrigation works not charged to Revenue," so long as the system fulfils the condition stated in paragraph 1889 (a) of this chapter; but when it becomes apparent that the system will not fulfil those conditions, or

when, if the system has been completed for more than ten years, it ceases to pay on the average 3¾ *per cent.* on the *sum-at-charge*, further capital expenditure must be met from ordinary revenues and charged to the head "Minor Works and Navigation," except in the case of such extensions as can be shown to be remunerative in themselves. The Capital outlay from this source being subsequently dealt with by the Accountant General, Public Works Department, as an addition to the "Capital outlay on Irrigation works not charged to Revenue" in the Finance and Revenue Accounts of the Empire.

IX.—Provision for works in the schedule defined in Rule III, as well as for new works on Capital Account, will be made in the annual Schedule of Demands which is submitted so as to reach the Government of India not later than the 15th December of each year. The works should be entered in the schedule in order of urgency.

XV, 2156. **1920.** When the construction estimate of a "Productive Irrigation Work" is closed, the outlay on extensions and improvements will be charged to the open Capital Account under the following rules :—

(*a*)—All estimates for extensions or improvements amounting for "Works" alone to Rs. 1,000 or under shall be charged to the Revenue Account.

(*b*)—Estimates under I.—Works, exceeding Rs. 1,000, for works which are in themselves directly remunerative, such as new distributaries, mills or works for increasing the canal discharge, shall be chargeable to the open Capital Account.

(*c*)—Estimates under I.—Works, exceeding Rs. 1,000, for works which are necessary for the full development of a project, but which are not in themselves directly remunerative, may be sanctioned against the open Capital Account.

XV, 2157. **1921.** In the case of renewals and replacements of existing works, if the estimated cost of the new work is less than the cost of the original work or does not exceed it by more than Rs. 1,000, the whole cost of the new work will be charged to Revenue and that of the

original work will be left to the debit of Capital. In other cases the whole cost of the new work will be charged to Capital and that of the original work, which may be estimated if the actual cost is not known, will be written back from the Capital to the Revenue Account.

XVI, 2104. **1922.** It is a fundamental rule that the commencement of the execution of Public Works shall not be *definitely authorized by any authority whatever, unless a* properly detailed design and estimate have been prepared and approved. Permission granted by Government in orders on a Budget estimate, for the retention of an entry of proposed expenditure during the year on a work, conveys no authority for the commencement of outlay until the above condition has been fulfilled. Such permission is granted on the implied understanding that, before any expenditure is incurred, the estimates shall have been *duly examined and sanctioned* by competent authority. Excepting with regard to certain classes of petty works for which special rules are *provided, vide* paras. 530 *et seq.*, and in cases of real emergency to be immediately reported and explained to the next superior authority, this injunction may not be infringed.

XVI, 2105. **1923.** On the other hand, the sanction of a design and estimate by the Government of India or any other *authority, not excepting His Majesty's Secretary of* State for India, conveys no permission for the commencement of expenditure on the work except as it *may* have been provided for in the Budget estimate of the year. For each work a design and estimate have to be approved, and provision has to be made for the outlay within the official year out of the grant allotted for the head of classification under which the service falls.

XVI, 2106. **1924.** It is a general condition, precedent to the delegation of all authority to disburse public money, that it shall be *bonâ fide* for a public object; nothing must be carried out by means of the public funds for the advantage of any individual or body of private persons, unless in accordance with some declared or established rule or principle recognized by the Government of India. It is the duty of every Audit officer, at all times, to challenge

Powers of sanction to Public Works.

any infringement of this principle; and every Local Government must submit, for the orders of the Government of India, any representation made to it by any Audit officer in accordance with this rule, which it does not promptly accept.

1925. The powers of the Government of India and of Local Governments and Administrations to sanction estimates for Imperial ordinary projects are as specified below:— XV

	When estimate for the project does not include provision for "Establishment" and "Tools and Plant."	When estimate for the project includes provision for "Establishment" and "Tools and Plant."
	Rs.	Rs.
By the Government of India . .	10,00,000	12,50,000
" Governments of Madras and Bombay.	2,00,000	2,50,000
" Governments of Bengal, Eastern Bengal and Assam, United Provinces of Agra and Oudh, the Punjab and Burma.	50,000	62,500
" Chief Commissioners of Central Provinces and Coorg, the Resident at Hyderabad: the Governor General's Agents in Rajputana, Central India, and North-West Frontier Province.	20,000	25,000
" Director General, Military Works Services.	50,000	62,500
" Superintendent of Port Blair	5,000	6,250

The Agent to the Governor General in Baluchistan, so far as Public Works are concerned, exercises the

same powers as those given to Local Governments and Administrations under the Provincial scheme of finance.

The powers of Local Governments and Administrations to sanction works which are chargeable to Provincial and Local Funds are equal as regards limiting amounts to those of the Government of India over Imperial expenditure.

VI, 2168. **1926.** Any project the estimate for which exceeds the limits prescribed in the foregoing paragraphs requires the sanction of the Government of India, or of the Secretary of State. So also do the estimates for all projects, large or small, which affect the interest of more than one Local Government or Administration; also all projects connected with the choice of *permanent stations* for troops, or for providing permanent accommodation for a larger force than is at present quartered at a station, or for the provision of any Military buildings which may not be in accord with standard plans approved of by the Government of India, or which may not be comprised in the general regimental or departmental standard schemes of accommodation sanctioned by the Government of India.

VI, 2169. **1927.** Projects which are essentially incomplete without extensions, and which, together with the extensions, would exceed the powers of the Local Governments, must not be sanctioned by the latter, but must be submitted for the sanction of the Government of India whatever be the nature of the separate portions of the work or the elementary items of cost.

VI, 2170. **1928.** All Local Governments are authorized to pass supplementary and revised estimates for works the original estimate of which was beyond their powers, when they do not involve an additional charge of more than 10 *per cent.* on the original estimate: provided such additional charge does not exceed the maximum amount which the Local Government has power to sanction; otherwise a reference must be made to the Government of India. Any excess over a revised estimate sanctioned

by the Secretary of State or the Government of India can be sanctioned by these authorities only.

1929. Projects the cost of which is estimated to exceed *12½ lakhs of rupees, including the* cost of establishment and of tools and plant, or which, as in the case of docks and harbour improvements, are attended with more than ordinary engineering difficulties, must, after *receiving the provisional sanction* of the Government of India, be submitted for the approval of the Secretary of State. XVI, 2171.

1930. Whenever it is foreseen that an estimate *sanctioned* by the Government of India or by the Secretary of State is likely to be exceeded, and that such excess will in all probability not be within the powers of sanction of Local Governments and Administrations under *para.* 1928, the anticipated excess should be at once advised to the Government of India who will, if the excess requires the sanction of the Secretary of State, immediately make a report thereof to him, without waiting for a revised estimate, which should be submitted in due course by the local authority concerned to the Government of India. XVI, 2172.

1931. Requisitions for expenditure on public buildings appertaining to the Government of India, or in connection with the residences of His Excellency the Viceroy and his staff, estimated to cost more than Rs. 10,000 each excluding establishment and tools and plant, must be submitted to the Government of India for sanction, prior to any outlay being incurred. This rule does not apply to ordinary repairs, which are initiated by officers of the Department. XVI, 2173.

1932. All proposals for expenditure on buildings *occupied* by the Heads of Local Governments and Administrations, and on buildings dependent upon or connected therewith, should be submitted to the Government of India for approval, whenever the total outlay during any one year (excluding ordinary but including special repairs) on any one residence of the head of XVI, 2174.

a Local Government or Administration and its connected buildings, such as body-guard quarters, band-barracks, etc., etc., exceeds Rs. 15,000 without *establishment and tools and plant. Any estimate for a single* work in excess of this limit should be similarly submitted for sanction, even when the expenditure is divided over two or more years.

XVI. 2175. **1933.** The powers of Local Governments and Administrations to sanction *boná fide* repairs (under the second departmental head of the Budget estimate) are, in the case of *Imperial works, restricted only by the limits* assigned to that object in the Budget Estimate of the year, as are also their powers with respect to the manufacture, purchase, or repair of articles included under the main head "Tools and Plant." In the exercise of the powers hereby vested in Local Governments and Administrations with regard to repairs, particular care *must be taken to confine such action to boná fide* repairs to the exclusion of renewals.

XVI. 2176 **1934.** The powers of Local Governments, etc., to sanction establishments are very strictly limited by the rules which are given in Chapters I and II of Volume I.

XVI. 2177. **1935.** The scrutiny and sanction of professional estimates for Provincial works will, provided the amount is not in excess of 10 lakhs, or 12½ lakhs including the cost of establishment and tools and plant, as a rule rest entirely with the Local Governments or Administrations. For works costing over 12½ lakhs, the estimate should be submitted to the Government of India for the sanction of the Secretary of State. The selection and decision in regard to the works to be carried out from Provincial Funds will also rest with Local Governments and Administrations, and, consequently, the power to make re-appropriations of Provincial Budget credits.

XVI. 2178. **1936.** The powers of Civil officers and Heads of Departments to sanction expenditure on works being

carried out by the Public Works Department are defined in para. 831.

1937. Local Governments and Administrations will determine what allotments shall be made from the Budget grant under the various sub-heads of repairs, and from the reserve for minor works, to the officers referred to in para. 1936. XVI 2179.

Chapter XVII.—Provincial and Local Funds.

XVII, 2180. **1938.** The nature of Provincial and Local funds has been explained in pāra. 1775. Outlay incurred from these funds will be recorded under the appropriate heads of the classification to be found in para. 1774.

XVII, 2181. **1939.** The rules and conditions regulating the administration by Local Governments and Administrations of Provincial expenditure will be found in full in Chapter 17 of Volume I of the Civil Account Code. The local authorities established by law or otherwise have similar powers, under the control of the Local Governments and Administrations, over outlay from Local funds.

XVII, 2182. **1940.** The control of the Government of India over Provincial works will be exercised in cases of any works undertaken which may be considered contrary to general policy, or which would involve extravagance or waste, or which, on the other hand, may be deemed deficient or inadequate for the purpose in view. In fact, the control will be one of general policy, financial regularity and prudence, to be exercised on reviews of the budget estimates, proceedings and accounts of the Local Governments and Administrations. Such a control will not, ordinarily, require scrutiny of professional estimates; but the Government of India reserve to themselves the right if they see special reason for so doing, the object to any particular sum assigned for any object, or to call for the submission of detailed estimates *in any particular case.*

XVII, 2183. **1941.** The Local Government or Administration will decide on the amount of funds available for the Public Works grant; and, on confirmation by the Government of India, will prepare and submit its budget estimate for review to the Government of India. No increase can be made during the course of the year to the Provincial service grant without the sanction of

the Financial Department of the Local Government or Administration.

1942. In sanctioning estimates for provincial works, it is necessary that Local Governments and Administrations should exercise extreme care in entertaining proposals for the construction of works involving large expenditure. Before such works are undertaken, the question as to whether sufficient funds will be available within the limit of the current contract to admit of their completion within a reasonable time should be carefully considered. XVII, 2184.

1943. In the specific assignment of the available funds, special care should be taken, as far as practicable, that the works in progress are completed before new works are commenced, and that the execution of works is not permitted to be carried out dilatorily, or to be prolonged by short assignments of funds, *i.e.*, assignments insufficient to complete them within a reasonable period. XVII, 2185.

1944. Expenditure should not be incurred by Local Governments or Administrations, on works beyond the limits that may have been fixed for the purpose by the Government of India, as in the case of churches and educational buildings. And in the preparation of plans for large works, such as Central Jails, attention should be paid to the principles which may be laid down by the Government of India for the designing and construction of such works, and, if need be, a reference made to the Government of India when it is thought desirable that those principles should be departed from. XVII, 2186.

1945. According to the rules contained in para. 828 *et seq.*, certain Civil authorities are invested with the power to sanction expenditure on civil buildings. But it is left to the Local Governments and Administrations to determine whether those rules should remain in force or not, so far as Provincial works are concerned. The same remark applies to works to be executed by Civil authorities. The restriction on selling or dismantling XVII, 2187.

buildings without the previous sanction of the Government of India may be relaxed, so far as to admit of Local Governments and Administrations disposing of Provincial works.

XVII, 2188. **1946.** A Local Government or Administration must accept, without remonstrance, any charge which would, under the system in force before the organisation of the Provincial fund arrangement, have been recorded, under any of the transferred heads of accounts, in the account of its presidency or province, and must not raise objections on such grounds as that the charge has originated outside the presidency or province, or that the presidency or province is not interested in it, or the like; if any doubt arises at any time, whether any charge should or should not be entered under any particular head in the accounts of any presidency or province, such doubt must be solved by one test only, *viz.*: "How would it have been entered if it had occurred before the formation of Provincial funds, when the powers and responsibilities of Local Governments and Administrations were first enlarged?"

XVII 2189. **1947.** The expenditure on Public Works from Provincial funds is required to be kept distinct from Local funds expenditure. To admit of this being done, the accounts of Civil officers, acting as Public Works disbursers, for expenditure incurred by them on Provincial and Local works, should be rendered to Examiner in the same way as accounts of expenditure on Imperial works, and under the rules and restrictions laid down in paras. 1458 to 1460.

XVII, 2190. **1948.** Though the entire Provincial grant does not lapse, the Public Works portion of it lapses to the general Provincial funds, so that a Local Government in its Public Works Department cannot add to the Provincial grant, assigned by its Financial Department, the amount of the lapses.

XVII, 2191. **1949.** The Provincial fund arrangements apply to the Governments of Madras, Bombay, Bengal, United

Provincial and Local Funds.

Provinces of Agra and Oudh, Punjab, Central Provinces, Burma and Eastern Bengal and Assam. Expenditure in the North-West Frontier Province, Hyderabad, Rajputana, Central India, Coorg, Port Blair and Baluchistan is for the present retained as Imperial and provided for in the Public Works estimates as Imperial charges. The expenditure on Public Works in Baluchistan though classified as Imperial in the public accounts is regulated under the rules and conditions appertaining to Provincial Funds.

1950. Besides the Budget estimate of Provincial Public Works for work chargeable to purely Provincial funds, there are Budget estimates and accounts for transactions connected with certain Local funds, which are, like Provincial funds, to be included, though separately, in the Imperial Financial accounts. These Local funds are to be treated like Provincial funds, and are at the free disposal of the Administration for expenditure. The Local funds, which do not come into this category, are those whose transactions are confined to moneys which are not the property of the Government. XVII, 2192.

Chapter XVIII.—Administration Reports.

XVIII, 2193. **1951.** The transactions of each Branch of the Public Works Department in each Province, for the financial year, will be reviewed in an "Administration Report" and accounted for in "Finance" and "Administrative Accounts." Rules regarding the preparation of Finance and Administrative Accounts will be found in paras. 1707 to 1730.

XVIII, 2194. **1952.** The Administration Report will be prepared by each Local Government *or Administration, in the* Public Works Department; and six copies of each report should reach the Government of India by the 15th October following the year to which it relates.

XVIII, 2195. **1953.** The Administration Report will form the Public Works chapter in the General Administration Report of the province to which it refers. It should, therefore, be written in narrative form, as briefly as possible, and be accompanied only by such financial details as may be necessary to illustrate the general scope and magnitude of the operations to which it relates. It should describe the nature and purpose of any large works or set of works in any Branch of the Administration which have been undertaken or are in progress during the year, and any important events which have occurred concerning them, or engineering questions which may have arisen, and the results of any new administrative measures affecting the Department which may have been tried.

XVIII, 2196. **1954.** It should be borne in [illegible] that, as the Administration Report, so far as it [illegible] Works chapter is concerned, is intended to sho[illegible] effect of the operations of the Public [illegible] (on the satisfactory administration [illegible] much of the materi[illegible] of the countr[illegible] and not the expen[illegible] the year, it [illegible] with figures only so [illegible] may be [illegible] the former

purpose; and the extent to which these are employed in illustration of the Administration Report may properly be left to the discretion of Local Governments and Administrations. The report should not be made the medium of submitting questions for the orders of Government, but it may properly notice the future requirements of the Province or Branch of the Department, as well as *the advantages it has derived from* past operations.

1955. The Public Works chapters of the Administration Reports of the Local Governments and Administrations should be prepared by the Public Works Department on notes by the principal officers of the Buildings and Roads and Irrigation Branches; but it will not be necessary, unless convenient to do so, to separate Imperial and Provincial and Local Fund works. Railway matters will also be discussed in the Public Works chapters. XVIII, 2197.

1956. The financial details contained in the Administration Report will, as far as may be possible without delaying its submission, be based on the final figures for the year as shown in the Finance Accounts prepared by the Examiner. The [illegible] Local Government or [illegible] and that officer should [illegible] checking the figures in the draft Administration Report before it is finally printed off. When the figures adopted in the Administration Report are approximate, they should be printed in *italics* to distinguish them from actuals, with a foot-note on the first page of the report to the following effect:— XVIII, 2198.

> The figures printed in italics in this report do not necessarily agree with the Finance accounts of the year prepared by the Examiner, whose books are not yet closed. They *are the best approximates available at the date of* submission of this report.

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XVIII, 2196. **1954.** It should be borne in mind that, as the Administration Report, so far as its Public Works chapter is concerned, is intended to show the general effect of the operations of the Public Works Department (on the satisfactory administration of which so much of the material progress of the country depends), and not the expenditure for the year, it should deal with figures only so far as they may be necessary for the former

purpose; and the extent to which these are employed in illustration of the Administration Report may properly be left to the discretion of Local Governments and Administrations. The report should not be made the medium of submitting questions for the orders of Government, but it may properly notice the future requirements of the Province or Branch of the Department, as well as the advantages it has derived from past operations.

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Chapter XIX.—Protective Works and Minor Works and Navigation.

XIX, 2199. **1957.** Protective Public Works are those which, although not directly remunerative to the extent which would justify their inclusion in the class of "Productive Works," are calculated to guard against a probable future expenditure in relief of the population.

XIX, 2200. **1958.** The cost of Protective Irrigation works is paid out of the annual grants under Famine Relief and Insurance and is chargeable to the main head "35."

XIX, 2200A. **1959.** The cost of surveys and other preliminary investigations of irrigation or drainage projects of a protective character which are not likely to be directly remunerative may be charged against the head "35.—Construction of Protective Irrigation Works," whether the projects are eventually sanctioned or not, but the previous sanction of the Government of India should be obtained both to the classification under this head as well as to the estimate for each survey. The cost of special establishments employed in the preparation of programmes of famine relief works, irrespective of the nature of the works included in the programme, should also be charged against the same head; but the previous sanction of the Government of India to each estimate must be obtained.

XIX, 2200B. **1960.** When a project of a protective, though not necessarily of a revenue-producing character, has been undertaken solely for the employment of famine relief labour, but has not been completed thereby, the expenditure required to complete it by ordinary labour, so as to render it as useful and productive as possible, may, with the sanction of the Government of India, be charged to the head "35.—Construction of Protective Irrigation Works."

XIX, 2202. **1961.** The rules in this chapter, in connection with Minor Works and Navigation apply to Protective Irrigation Works. The classification of Irrigation Works as "Protective" rests with the Government of India if

the estimated cost of the project does not exceed ten lakhs, exclusive of Establishment and Tools and Plant charges, or twelve and half lakhs including these charges; *the sanction of the Secretary of State is necessary* if the estimated cost exceeds these limits. The sanction accorded by the Government of India to the original construction estimate of each project should be *reported to the Secretary of State for information.*

1962. Protective Irrigation works are sub-divided into— XIX.

(1) *Works for* which *Capital and Revenue* accounts are kept.

(2) Works for which neither Capital nor Revenue accounts are kept.

Capital and Revenue accounts must be maintained for all Protective Irrigation Works other than those mentioned in paragraphs 1959 and 1960, and interest calculated on the Capital outlay in the manner prescribed in paragraph 1722.

The works mentioned in paragraphs 1959 and 1960 will be classed as works for which neither Capital nor Revenue accounts are kept. No interest will be calculated on the expenditure incurred on works so classed, until the project is sanctioned by the Government of India as one for which Capital and Revenue accounts are kept.

If a project, the charges for the investigation and survey of which have been met from ordinary revenues, be eventually sanctioned by the Government of India or by the Secretary of State for execution as a Protective Irrigation Work for which Capital and Revenue accounts are kept, the expenditure from the commencement will be brought on to the Capital account of the project in the Administrative Accounts of the year in which the actual work of construction commences. Interest on the amount so transferred will be calculated

for the full year in the accounts of which the transfer is made.

The revenue derived from, and the maintenance charges on, Protective Irrigation Works, Class (2), should be classified and met from grants respectively under the heads "XXX and 43.—Minor Works and Navigation." In those provinces where these heads are Provincial, the receipts will be credited to, and the maintenance charges met from, Provincial Revenues.

XIX, 2203. **1963.** Irrigation and Navigation Works (not classed as Productive or Protective) and Agricultural Works which are undertaken for the general improvement of the country or for general administrative purposes, and are paid for out of ordinary revenues, are classed under the head "Minor Works and Navigation."

XIX, 2204. **1964.** The ordinary rules for sanction to and control over Public Works generally, as contained in Chapter XVI, apply to the original construction outlay on works classed under "Minor Works and Navigation." The following paragraphs apply specially to these undertakings.

XIX, 2205. **1965.** Minor Works and Navigation are sub-divided into—

(1) Ordinary works of Irrigation and Navigation.

(2) Agricultural works.

Each of these is again sub-divided into three distinct classes, *viz.* :—

(*a*) Works for which Capital and Revenue Accounts are kept.

(*b*) Works for which only Revenue Accounts are kept.

(*c*) Works for which neither Capital nor Revenue Accounts are kept.

XIX, 2206. **1966.** Capital and Revenue Accounts should be kept *of all new Minor Irrigation works whether entirely* constructed or merely remodelled and restored by Government, the estimated Capital outlay on which is more than Rs 50,000 inclusive of Establishment and Tools and Plant charges, provided there is good reason to anticipate that the revenue derived therefrom will more than cover the working expenses, direct and indirect.

Protective Works and Minor Works and Navigation.

1967. If for any reason a project of which the estimated capital outlay is over Rs. 50,000 is considered to be of insufficient importance to justify the maintenance of a Capital Account, or if any difficulty be anticipated in ascertaining the correct revenue, it may, with the approval of the Government of India, be classed as a work for which only Revenue Accounts are kept, or as a work for which neither Capital nor Revenue Accounts are kept as the case may be. XIX, 2207.

Note.—The above rule will apply only to works undertaken after the 9th November 1893.

1968. The construction estimate of a Minor Irrigation work for which a separate Capital Account is kept, as well as of a Protective Irrigation work, should be closed as soon as the project is practically in full operation, although there may be works, such as drainage cuts, protective embankments, distributaries, etc., provided for in the construction estimate, which it is not desirable to construct at once. XIX, 2208.

1969. After the construction estimate of a Minor Irrigation work or of a Protective Irrigation work is closed, further Capital expenditure on it may be incurred under the following rules:— XIX, 2209.

I.—No expenditure may be incurred except under competent authority and within the budget provision.

II.—When the construction estimate is closed, a schedule should be prepared of the works of which detailed estimates have been sanctioned by competent authority. The schedule should include works which are within the scope of the construction estimate only, but which may have been incomplete, or not begun, when the construction estimate was closed. This schedule having been sanctioned by competent authority, the Local Government or Administration will be empowered to sanction outlay, chargeable to the Capital Account of the canal, in accordance with the schedule and within Budget provision

III.—The Local Government or Administration will prepare with this schedule a report on the works executed, at the time the construction estimate was closed. This report will discuss the financial results attained

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and the general prospects of the project, and will be accompanied by a statement comparing the actual expenditure by main heads and sub-heads of Capital outlay, with the sanctioned estimate. The report should be accompanied by an index map of the canals and distributaries completed.

IV.—The schedule or works and report on general prospects referred to in the above rules, for projects sanctioned by the Government of India or the Secretary of State will be submitted to the Government of India.

V.—If, subsequently, it be found necessary to construct other works, which may or may not have been contemplated in the construction estimate, and of which no detailed estimates had been sanctioned when the construction estimate was closed, the following procedure must be observed :—

(a) Any work the estimated aggregate cost of which is within the powers of the Local Government or Administration to sanction under Public Works Department Code, para. 1025, may be sanctioned by them In the case of a project of which the construction estimate, or the revised estimate under Rule V (b), may have been sanctioned by the Government of India or the Secretary of State, a report of each sanction accorded by the Local Government or Administration should be made to the Government of India without delay.

(b) When, with the additions sanctioned under Rule V (a) the total direct Capital outlay on a project, the construction estimate of which was sanctioned by a Local Government or Administration, exceeds the powers of sanction of that Local Government or Administration, a revised estimate of the project should be prepared for the sanction of the Government of India or of the Secretary of State as the case may be.

VI.—In all cases, a date for the completion of such additional works must be assigned, before sanction is accorded, and the sanction unless extended will lapse on that date. Extensions of the date of completion can only be accorded by the authority granting the sanction on full explanation of the cause of delay.

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VII.—A Register will be maintained by the Local Government or Administration for each project, showing the sanction accorded to the schedule referred to in Rule II above, and each subsequent sanction against Capital, both of the Local Government and of the Government of India and the date when each sanction lapses.

1970. When the construction estimate of a Protective Irrigation work, or of a work, classed under Minor Works and Navigation, for which Capital and Revenue Accounts are kept, is closed, the outlay on *extensions* and improvements will be charged to the open Capital Account under the following rules :— XIX, 221

(a) All estimates for extensions or improvements amounting, for "Works" alone, to Rs. 1,000 or under, shall be charged to the Revenue Account.

(b) Estimates under I—Works, exceeding Rs. 1,000, for works which are necessary for the full development of a project but which are not in themselves directly remunerative, may be sanctioned against the open Capital Account.

1971. In the case of renewals and replacements of existing works, if the estimated cost of the new work is less than the cost of the original work or does not exceed it by more than Rs. 1,000, the whole cost of the new work will be charged to Revenue and that of the original work will be left to the debit of Capital. In other cases the whole cost of the new work will be charged to Capital and that of the original work, which may be estimated if the actual cost is not known, will be written back from the Capital to the Revenue Account. XIX, 221

The following paragraphs in the 6th Edition have been omitted in the present Edition :—

1595, 1609, 1619, 1630, 1642, 1650, 1663, 1675, 1699, 1761, 1773, 1792, 1844, 1845, 1849, 1986—2000 (transferred to Appendix 12), 2001—2006, 2064—2084, 2096—2098, 2103—2110, 2137, 2144, 2158—2163.

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